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1 EXXON VALDEZ OIL SPILL

2 TRUSTEE COUNCIL

3 Public Meeting

4 Monday, August 6, 2001

5 8:30 o'clock a.m.

6 Fourth Floor Conference Room

7 645 G Street

8 Anchorage, Alaska

9 TRUSTEE COUNCIL MEMBERS PRESENT:

10 STATE OF ALASKA -

MR. CRAIG TILLERY

11 DEPARTMENT OF LAW:

Trustee Representative

12 (Chairman)

for the Attorney General

13 U.S. DEPARTMENT OF COMMERCE,

MR. JAMES W. BALSIGER

14 NMFS:

Director, AK Region

15 U.S. DEPARTMENT OF AGRICULTURE,

MR. DAVE GIBBONS

16 U.S. FOREST SERVICE

Trustee Representative

17 STATE OF ALASKA - DEPARTMENT

MR. FRANK RUE

18 OF FISH AND GAME:

Commissioner

19 U.S. DEPARTMENT OF INTERIOR:

MR. CAM TOOHEY

20 for Dave Allen

21 Director, Alaska Region

22 U.S. Fish and Wildlife Svc.

23 U.S. Department of Interior

24 STATE OF ALASKA - DEPARTMENT

MS. MARIANNE SEE

25 OF ENVIRONMENTAL CONSERVATION:

for Commissioner Brown

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1 TRUSTEE COUNCIL STAFF PRESENT:

2 MS. MOLLY McCAMMON	Executive Director
3 MS. SANDRA SCHUBERT	Program Coordinator
4 DR. PHIL MUNDY	Science Coordinator
5 DR. BOB SPIES	Chief Scientist
6 MS. PAULA BANKS	Administrative Assistant
7 MS. DEBBIE HENNIGH	Special Staff Assistant
8 MS. DEDE BOHN	U.S. Geological Service
9 MR. KEN HOLBROOK	U.S. Forest Service
10 MR. STEVE SHUCK	U.S. Fish and Wildlife Svc.
11 MR. ROB BOSWORTH	ADF&G
12 (Telephonically)	
13 MR. BILL HAUSER	ADF&G
14 MS. CAROL FRIES	ADNR
15 MR. ALEX SWIDERSKI	Department of Law
16 MR. BUD RICE	National Park Service
17 MS. MARIA LISOWSKI	U.S. Forest Service
18 MS. VERONICA CHRISTMAN	AK Dept. Natural Resources

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(On record

CHAIRMAN TILLERY: Good morning, this is the August 6th meeting of the Exxon Valdez Oil Spill Trustee Council. Here in Anchorage we have Dave Gibbons representing the United States Forest Service. Jim Balsiger representing National Marine Fisheries Service. Cam Toohey, a new representative with us representing Department of the Interior. Welcome Cam. Marianne See sitting in for Michelle Brown for the Department of Environmental Conservation. Rob Bosworth is on line representing the Department of Fish and Game. I'm Craig Tillery with the State of Alaska, Department of Law.

MR. BOSWORTH: Craig, this is Rob. Frank will be in Anchorage by about 10:00 and he'll head right over to your meeting.

CHAIRMAN TILLERY: Okay, thank you. The first item is the approval of the agenda; is there a motion?

MR. GIBBONS: Move to approve the agenda.

MR. SEE: Second.

CHAIRMAN TILLERY: It's been moved and seconded, anyone oppose?

(No opposing responses)

CHAIRMAN TILLERY: The agenda is approved.

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1 The second item would be the approval of the meeting notes
2 from the May 3rd meeting. Is there a motion?

3 MR. BALSIGER: I move to approve the
4 minutes from the May meeting.

5 MR. SEE: Second.

6 CHAIRMAN TILLERY: It's been moved and
7 seconded. Anyone opposed? Ms. McCammon opposes.

8 MS. McCAMMON: I do have an amendment.

9 CHAIRMAN TILLERY: Yes, ma'am.

10 MS. McCAMMON: There is an error apparently
11 in the meeting notes on Page 2, number 6, small parcel,
12 Kenai 294, it's actually providing 78,000 for the Alaska
13 Department of Fish and Game to offer to purchase all of its
14 sellers rights and interests, not United States Fish and
15 Wildlife Service.

16 CHAIRMAN TILLERY: Okay. Will the mover
17 accept the amendment?

18 MR. BALSIGER: I accept the amendment.

19 CHAIRMAN TILLERY: Okay, is there anyone
20 opposed to the motion?

21 (No opposing responses)

22 CHAIRMAN TILLERY: Okay. The meeting
23 notes, as amended are approved. It appears like we're
24 going to have a lengthy meeting today judging by the
25 thickness of this notebook, so Ms. McCammon if you can take

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1 us briskly through the Executive Director's report.

2 MS. McCAMMON: Thank you, Mr. Chairman.

3 There are a number of action items within this report also,
4 small items. So as I go through on each of these, you
5 could take action at that time unless you wanted to wait
6 until a later time. But if you wanted to do it briskly
7 that would probably be the best way to do it.

8 CHAIRMAN TILLERY: Okay.

9 MS. McCAMMON: The first thing I wanted to
10 report on was the report to Congress and there is a memo in
11 your packet regarding this. When Congress gave the Trustee
12 Council the additional investment authority to invest its
13 funds outside of the United States Treasury there was a
14 provision added to the legislation that says that the
15 authority provided shall expire on September 30th, 2002,
16 unless by September 30th, 2001, the Trustees have submitted
17 to the Congress a report recommending a structure the
18 Trustees believe would be most effective and appropriate
19 for the administration and expenditure of remaining funds
20 and interest received upon the expiration of the
21 authorities granted in this section, all monies in the fund
22 would be returned to the court registry or other accounts
23 permitted by law. So a report is required to be submitted
24 to Congress by September 30th of this year and I am
25 currently preparing a draft of that report and in the memo

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1 in your packet I went through the elements that would be
2 included in such a report. That there would be two
3 identical letters, one to the President of the Senate, one
4 to the Speaker of the House, the letters would be signed by
5 the six members of the Trustee Council. Copies would be
6 sent to the Alaska Delegation and the Governor. One
7 section would summarize the comments received during our
8 public comment process for the restoration reserve. One of
9 the issues that we did solicit comment on was governance,
10 the issue of governance. Very few people actually
11 commented on that issue and none actually gave any detail
12 on it, it was more a check-off of keeping the current
13 Trustee Council or suggesting a new board.

14 My recommendation for the report is that
15 the Council recommend keeping the current Trustee Council
16 until September 2006, although the Council, if it chose to,
17 could come back earlier with a suggested change. But the
18 reasons for keeping the current structure for at least the
19 next few years, I think, are many. One is that the
20 investment authority that this statute authorized is very
21 new. We're still kind of testing how it works and kind of
22 how appropriate it is for the Trustee Council, and so I
23 think we need a few years of using this new authority with
24 the current Trustee Council managing it. Secondly, the GEM
25 program is still under review and development and it will

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1 take, at least, four to five years to be fully operational.
2 We're still seeing the effects of lingering oil spill
3 injury in the spill region and we'll have a report on that
4 later in the morning and so it's appropriate that the
5 current Trustee Council continue to monitor that injury and
6 recovery and there are a number of habitat and science
7 program initiatives that require quite a bit of coordinated
8 efforts. And so it would be difficult at this stage to
9 start with a totally new program.

10 So the report should be just two to three
11 pages, it won't be very lengthy and I should have a draft
12 done by the end of this week. My plan is to circulate it
13 to all of you for your wordsmithing and editing and once we
14 agree on a final, then that would be circulated for your
15 signature. I think on the Federal side, I know the
16 language needs to be cleared by the Office of Management
17 and Budget and Barry Roth in the Interior Department has
18 offered to help with that process or whoever Cam could have
19 assist with that.

20 At this point, the recommendation is to
21 have the Trustee Council be the signatory on the letter
22 although the statute itself refers to the Trustees. But
23 the Trustees have delegated their authority, at this stage,
24 to the Trustee Council, so I'm assuming the Trustee Council
25 would have the authority but if you have a different

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1 opinion, I'd like to hear it, soon.

2 So at this stage all I would want is just
3 kind of conceptual approval to go forward with this
4 approach.

5 CHAIRMAN TILLERY: Are there questions or
6 comments from Council members?

7 MR. BALSIGER: I have one.

8 MS. McCAMMON: Yeah.

9 MR. BALSIGER: Mr. Chairman, on that, so
10 the timing on this, it has to be in by September 30th, I
11 think you said, so would that come back before this body,
12 we're approving it here in substance, so by September 30th
13 you'd have to know from each of the Trustees whether or not
14 that Trustee went along with this process, I guess?

15 MS. McCAMMON: Yes.

16 MR. BALSIGER: Okay, thank you.

17 MS. McCAMMON: We'd have to know before
18 then, I would say by September 1st. The sooner the better.
19 It would be difficult to wait until September 30th and then
20 be looking for a signature from the Secretary of
21 Agriculture and the Secretary of Interior.

22 MR. BALSIGER: Yes, that's what I was
23 thinking.

24 CHAIRMAN TILLERY: Yeah, I know Barry Roth
25 and I, have both raised the issue of whether the Trustee

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1 Council really should sign this document, only because if
2 somehow that was a problem then I think neither of us think
3 it should, practically, be one, but if it is a problem the
4 down-side is that we lose our investment authority which is
5 not something that we want to do. So it may be that the
6 Department of Justice could look and think about whether
7 that's an issue.

8 MS. McCAMMON: I did consult with the
9 Department of Justice and she thought having the -- and
10 Gina Belt thought having the Trustee Council sign it was
11 fine.

12 CHAIRMAN TILLERY: Okay. Any other
13 questions? I think we're not looking for a vote or
14 anything but just a sense of the Council as to whether this
15 is the right approach. Anyone want to nod their head or
16 whatever? Okay, I see nods all around. So Molly it looks
17 like.....

18 MS. McCAMMON: Is Rob Bosworth nodding?

19 CHAIRMAN TILLERY: Rob?

20 MR. BOSWORTH: I'm nodding.

21 CHAIRMAN TILLERY: He's nodding, okay. So
22 it looks like you do have general concurrence in your
23 approach.

24 MS. McCAMMON: Okay. And we'll be getting
25 a draft around shortly.

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1 The next item that I wanted to report on is
2 to get some sense from you, in your packet is a copy of a
3 memorandum of understanding that was completed by the
4 Denali Commission. It works with multiple State and
5 Federal agencies with the idea of facilitating
6 collaboration and coordination to achieve the mission of
7 the Denali Commission. And I think with more of our
8 efforts in the Gulf Ecosystem Monitoring Program and
9 looking towards additional collaboration of other entities
10 such as the North Pacific Research Board, the Southeast
11 Salmon Fund and others, that it's an appropriate time to
12 start working on a memorandum of understanding with these
13 groups to help coordinate planning efforts, the proposal
14 solicitation process and review process and some other
15 items.

16 I included this just to give a sample of
17 what kinds of things, the kind of agreement that we could
18 be looking to achieve and wanted some sense from you, some
19 approval for going forward and drafting an MOU and talking
20 to the various groups about what kinds of things people
21 would be willing to agree to in the next year.

22 CHAIRMAN TILLERY: Comments? I know we
23 certainly, I think everyone has indicated that we need to
24 be working with NPRB and some of the other entities, the
25 Salmon Fund, the Northern Fund and those sorts of entities

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1 and specifically you're asking if we should reduce that to
2 writing?

3 MS. McCAMMON: To do a formal agreement.
4 To formalize some of that collaborative process. For
5 example, our planning efforts, the proposal solicitation
6 process, sharing of data and information, agreeing to meet
7 formally on a periodic basis to discuss issues. I think
8 having a formalized process will ensure that there actually
9 -- it will give greater assurance of having collaboration
10 and coordination between all the various groups.

11 MR. BOSWORTH: Molly, this is Rob. It
12 makes sense to me. I assume you're talking about some sort
13 of an MOU or MOA?

14 MS. McCAMMON: That's correct.

15 MR. BALSIGER: Mr. Chairman, is there any
16 ability to do a multi-party MOU or would it be all
17 bilaterally, one between us and the Northwest Research
18 Board, one between us and the Northern Fund? This example,
19 there's lots of signatures on it.

20 MS. McCAMMON: I would say we'd want to do
21 multi-lateral.

22 MR. BALSIGER: Okay.

23 MS. McCAMMON: With as many groups as
24 possible signing onto the same MOU.

25 MR. BALSIGER: That would be my suggestion

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1 as well.

2 MS. McCAMMON: Yeah.

3 CHAIRMAN TILLERY: Collaboration is going
4 to be critical. If you think this might facilitate it, it
5 seems like the sense of the Council is that it would be at
6 least worth exploring an MOU and seeing if there was any
7 interest from the entities.

8 MS. McCAMMON: Okay. The next item in your
9 packet is the report on investments for the end of June.
10 We don't have the report yet for July, that will be up in
11 another few days. You can see that the equities are still
12 not doing well. The good news in here, if there is good
13 news, is that we are doing better in most cases than our
14 index funds, and you can see that on the page, it's kind of
15 on the side and it goes through the investment fund and our
16 index and in almost all cases we're doing better than our
17 index. So we're kind of just realizing reacting to the
18 current market and hopefully that will turnaround in the
19 next few months.

20 The investment working group will be
21 meeting in early September to discuss asset allocation.
22 I'll also be looking at rebalancing some of our assets in
23 the next month, once the next payment from Exxon arrives
24 and we get that appropriated to the various accounts.
25 We're currently almost at the limit of our bands in terms

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1 of investments and we do have authority under our policies
2 to do some rebalancing. And in discussing this with the
3 Department of Treasury we decided to wait until this next
4 payment from Exxon comes in and use that as a means to
5 rebalance.

6 But are there any questions on our
7 investment reports? Are these reports helpful? If there's
8 any additional reports anyone would like or would like
9 displayed in a different fashion, I'd be more than happy to
10 provide that.

11 MR. BALSIGER: Well, just as a bottom line,
12 I guess, the investment fund lost 4.28 million since
13 October 31st, 2000; is that the.....

14 MS. McCAMMON: Yes.

15 CHAIRMAN TILLERY: Any other questions?

16 MS. McCAMMON: Okay, our next item is on
17 the Trustee Council, we refer to it as the final report.
18 It's not actually the Trustee Council's final report but
19 under Project 01-535, you included eight months of funding
20 for Joe Hunt to prepare a summary of the Trustee Council's
21 actions to date. The original time line called for the
22 draft to be under review during this part of FY-01 and then
23 Joe would complete the report using FY-02 funds. We've
24 been talking with the University of California, Berkeley
25 Press, and they are very interested in publishing the

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1 manuscript. In order to get into their cycle, they need
2 the manuscript, if at all possible, in September in order
3 to go through their review process. Then it would be a
4 year until it would actually be published. To keep to
5 that, we have circulated to all of you, with your packet, a
6 copy of that draft manuscript and we're asking, if at all
7 possible, you can review it by September 4th, which is the
8 Tuesday after Labor Day. Various pieces of it have already
9 been circulated. I've been through it three times. I
10 think it's in pretty good shape but it's really important
11 that all of you look at it and give your comments and
12 basically the blessing to move forward with that.

13 I hadn't anticipated this being an actual
14 formal approval action item and I guess it would be a
15 question of whether you wanted it to actually come back for
16 formal approval or not.

17 CHAIRMAN TILLERY: For the transfer of
18 money?

19 MS. McCAMMON: Well, we have two things, we
20 need the transfer of money, yes, we do need that for some
21 additional funds.

22 CHAIRMAN TILLERY: Right.

23 MS. McCAMMON: But the actual document
24 itself.

25 CHAIRMAN TILLERY: I don't think the

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1 Trustee.....

2 MS. McCAMMON: We hadn't scheduled it to
3 come back for any kind of formal approval by the Council.

4 CHAIRMAN TILLERY: I don't believe the
5 Council would be approving the document, I mean, that would
6 be my sense. Do people think differently?

7 MR. BALSIGER: I didn't quite hear what you
8 said. We wouldn't be approving it?

9 CHAIRMAN TILLERY: I would not think that
10 the content of the document would be anything that we would
11 formally approve, although I could be mistaken.

12 MR. GIBBONS: No, I don't think we should
13 approve it either, but I think one step that we probably
14 should do is maybe get this draft document out to some of
15 the past Trustee Council members.

16 MS. McCAMMON: It is.

17 MR. GIBBONS: Charlie Cole and Mike Barton
18 and those folks, to really get a check on it.

19 MS. McCAMMON: It is going out to all of
20 those.

21 MR. GIBBONS: Okay.

22 MS. McCAMMON: And they were interviewed as
23 part of the process.

24 CHAIRMAN TILLERY: Is the monetary -- I
25 thought I recall seeing that in the work plan?

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1 MS. McCAMMON: For FY-02, there is funding.
2 This is a need for some additional funds for this fiscal
3 year.

4 CHAIRMAN TILLERY: Okay, so we do need a
5 motion.

6 MS. McCAMMON: And so we do need a motion.
7 Because he is putting in some additional time this fiscal
8 year and so the recommendation is to transfer some funds
9 from the data management project to the final report
10 project, and it'd be a transfer of \$18,400 and we do need a
11 motion on that.

12 CHAIRMAN TILLERY: Anyone like to make a
13 motion?

14 MR. BALSIGER: Mr. Chairman, let me ask
15 just one more question. This is a final report of the
16 Council from the beginning of the process until when?

17 MS. McCAMMON: It would be until about now
18 or some time this year and it would represent kind of the
19 first phase of the -- the major phase of the restoration
20 program.

21 MR. BALSIGER: I'm just having trouble
22 figuring -- we just gave the sense of the Council that we
23 want to extend the Council so having a final report when we
24 just decided to extend ourselves didn't fit together. So
25 maybe it has to be called a final report for the purposes

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1 to meet the Congressional request.

2 MS. McCAMMON: Yeah. I think in the draft
3 document, I don't have it here in front of me, I don't
4 think we actually call it a final report. So the project
5 title has final report in it, it's probably a little
6 misleading.

7 CHAIRMAN TILLERY: I think part of the
8 concept back then was that the Council, when it goes to GEM
9 is, and essentially this year is transitioning into a new
10 phase, and this is essentially a report on the first phase
11 before the long-term monitoring.

12 MS. McCAMMON: That's correct.

13 MR. BOSWORTH: I'm looking at the document
14 now and the cover doesn't actually provide a time interval
15 that the report is intended to cover, but it sounds like
16 that it is the intent, that the report cover the specific
17 time interval. Should that be part of the title of the
18 document?

19 MS. McCAMMON: There should probably be
20 something on the cover page to refer to that so we can
21 accommodate that.

22 MS. SEE: Mr. Chairman.

23 CHAIRMAN TILLERY: Yes.

24 MS. SEE: I move we approve the transfer of
25 \$18,400 from the data management project budget to the

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1 final report project.

2 MR. BALSIGER: I'll second.

3 CHAIRMAN TILLERY: It's been moved and
4 seconded that we transfer \$18,400 from data management to
5 the final report project. Is there any more questions or
6 comments? All in favor of the motion signify by saying
7 aye.

8 IN UNISON: Aye.

9 CHAIRMAN TILLERY: Opposed.

10 (No opposing responses)

11 CHAIRMAN TILLERY: The motion passes.

12 MS. McCAMMON: Thank you. The next item is
13 under office move in your packet. And as most of you know
14 our current lease expires in December. The building is in
15 the process of being sold and the new owners of the
16 building are planning to move into this space that we
17 currently occupy. So the opportunity to extend the lease
18 further was not available to us. Fortunately, we were able
19 to work with General Services Administration and with US
20 Geological Survey and acquire some additional space
21 downtown in the Chamber of Commerce Building which is
22 located right next to the Egan Center, just a couple of
23 blocks away. This is the fifth floor of that building and
24 we were able to get a very good price per square foot in
25 that building. However, it is going to be more expensive

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1 than what we are currently paying. Our current lease,
2 annual lease for this space is about \$85,000 which is about
3 \$1.10 which is very, very, very cheap for downtown office
4 space. And even if we were to stay here in this space and
5 get a new lease we would not be paying that amount, the
6 lease cost would probably go up pretty significantly. The
7 space that we've been able to get on 5th Avenue is about
8 \$1.60 a square foot, which is still very reasonable space
9 for the downtown area. The total cost per year will be
10 \$139,500. The space there is a little larger than we need
11 now and our hope is to co-locate with the North Pacific
12 Research Board Staff or some other entity that is very
13 similar in mission to our mission. However, because that
14 is not in place and because this is a pretty steep increase
15 in our tight administration budget, we do have a request
16 and we're also paying double -- somewhat double lease space
17 for the fall months, we do have a request in here for some
18 additional costs to be funded separately from the regular
19 administrative budget. These include the cost of actually
20 moving all of our furniture, equipment and files, which is
21 estimated, and this is in the table on Page 2, to be about
22 \$10,000; de-installing and reinstalling our computer
23 network system; the additional lease cost, this space that
24 we're currently in which is about \$21,000; using this as an
25 opportunity to purchase some new furniture, particularly

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1 the conference room chairs, the reception area desk and
2 equipment out there and a couple of additional desks and
3 chairs for some of the office space; telephone set-up;
4 computer cabling in order to upgrade our internet access
5 and our network system; additional letterhead, business
6 cards, things of that nature. So the total comes to, with
7 general administration costs, comes to \$98,800. The
8 request would be for \$37,600 for FY-01 between now and the
9 end of September and then \$61,200 for FY-02, which is
10 primarily the furniture and the old lease cost.

11 In the meantime, this fall, we will be
12 working on, hopefully, getting either North Pacific
13 Research Board or someone else to co-locate in at least two
14 to three of those offices. We're also hoping to be able to
15 share some of the data management costs, which we'll be
16 incurring in the next year. So I would look for your
17 support in this recommendation.

18 CHAIRMAN TILLERY: Cam.

19 MR. TOOHEY: I have one question in your
20 memo you note the expectation of growth in the next five
21 years; is that growth of this organization?

22 MS. McCAMMON: It would be growth of this
23 organization but it's not growth of the administrative
24 staff. It would be, for example, our data management
25 group. Instead of being broken down among individual

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1 projects, would probably be more centralized. So it would
2 be those kinds of functions, some of our scientific staff
3 and some of our data staff; those are the areas we'd be
4 growing in. So the administrative staff should stay fairly
5 constant, but the other parts of the program that typically
6 have been spread out among a number of agencies will
7 probably -- some of that will be consolidated in our main
8 office. Does that answer your question?

9 MR. TOOHEY: I think so.

10 CHAIRMAN TILLERY: Questions.

11 MR. BALSIGER: What is the date of the
12 move, exactly?

13 MS. McCAMMON: We are moving at the last
14 week of September.

15 MR. BALSIGER: And this is, exposes too
16 much of myself, but what's the fiscal year that we're
17 dealing with on the Trustee Council?

18 MS. McCAMMON: Federal fiscal year.

19 MR. BALSIGER: It's the same, thanks.

20 MS. McCAMMON: So all of the moving costs,
21 the cable, they're remodeling the building right now,
22 putting in a conference room, combining a couple of offices
23 to make a larger conference room and doing some additional
24 work right now. All the cabling, all the phone
25 installation, computer installation, all the moving, would

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1 happen this fiscal year. We're trying to get moved before
2 it snows.

3 CHAIRMAN TILLERY: I certainly understand
4 we do need to move and the space that you've chosen is very
5 appropriate space. I guess the only question I had in here
6 was the \$40,000 for furniture. Is that because we've, over
7 the years, broken so much stuff or are we just wanting to
8 upgrade?

9 MS. McCAMMON: Well, one of the things is
10 the conference room chairs which is a big item here and
11 being able to have chairs that aren't broken, that are
12 comfortable but that don't take up as much space, that
13 gives us more flexibility in terms of configuration of the
14 room. If you look in that hallway right now, we have a
15 number of chairs that are stacked in there illegally. I
16 shouldn't say that too loud, but I don't think that really
17 meets fire code to have those stacked in there. And so
18 we're looking at making the conference room more flexible
19 in terms of how we use it for different kinds of meetings
20 and getting better chairs that would be more appropriate
21 for that. Most of the furniture in here was surplus
22 furniture acquired just from various different places.
23 Some of it is still functional. It's pretty beat up
24 looking so some of it is just upgrading, especially the
25 reception area, just to look a little bit nicer than some

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1 of the surplus things we've had before. So it's kind of a
2 combination. But most of the desks we are keeping and
3 we'll continue to use and we're trying to keep as much of
4 this as we can. It's also a larger space and so we'll be
5 adding -- since we'll be adding the data management group,
6 we'll need office equipment for that office, we'll be
7 having an intern, we need space for that. It's a
8 combination.

9 CHAIRMAN TILLERY: Mr. Balsiger.

10 MR. BALSIGER: Mr. Chairman, if I could one
11 more question. I gather that you've determined there's no
12 legal problem with getting GSA space and subletting it? We
13 have the authority to do that?

14 MS. McCAMMON: It's my understanding we do.

15 MR. BALSIGER: Thanks.

16 MR. GIBBONS: You might want to thoroughly
17 check that out. There's been some problems with that.
18 We're looking at moving ourselves and you've found a very
19 good price per square foot, I will say that. I mean that's
20 an excellent price. But it would behoove us to check and
21 see if we can sublease under a GSA arrangement.

22 MS. McCAMMON: I know the Denali Commission
23 subleases and their space is through GSA and we've talked
24 about it with the GSA representative and I haven't heard
25 any problems with it.

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1 MR. GIBBONS: Well, I'm just saying we need
2 to check because we're talking same thing and there's some
3 reluctance.

4 MS. McCAMMON: Okay. Would you like to
5 relocate here?

6 MR. GIBBONS: We're doing our own.

7 MR. BALSIGER: Surely you can use three
8 more offices.

9 MR. GIBBONS: Yeah.

10 CHAIRMAN TILLERY: Does anyone wish to make
11 a motion? I guess I still remain a little bit bothered by
12 the high price of new furniture. Is there any way to break
13 that out into furniture that's just maybe a little old but
14 still serviceable versus stuff that we need for new people
15 or to replace something that's no longer functional?

16 MS. McCAMMON: Unfortunately we were not
17 able -- this is a ball park estimate. We were not able to
18 get all of the information to have a specific itemized list
19 of acquisitions for you. If you would like that, you could
20 take this off and we would have another Council meeting on
21 it before the end of September, if you would like that, to
22 have it more specifically described?

23 CHAIRMAN TILLERY: Mr. Balsiger

24 MR. BALSIGER: Well, Mr. Chairman, let's
25 see, I'm not quite sure how to word this, at the end of the

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1 fiscal year we had the opportunity to try to buy some new
2 furniture for our regional office in Juneau for the
3 Fisheries Service, and I was kind of astounded by how many
4 thousands of dollars you can spend on a couple of chairs
5 and desks really quickly. So I guess the \$40,000 doesn't
6 catch me very much by surprise. I'm not sure that that
7 gives you any level of comfort at all but furniture prices
8 are pretty high when you try to get quality stuff. It
9 doesn't strike me as being out of line from what we might
10 expect to see.

11 MS. McCAMMON: The other thing I could do
12 is just as we get it a little better defined, I could just
13 send it around to you and if you have any concern or
14 questions about things then you could just talk to me about
15 it rather than requiring the Council to come back and take
16 action on it, if that would make you feel more comfortable.

17 CHAIRMAN TILLERY: Okay, I think it would.

18 MS. McCAMMON: Okay, yeah.

19 CHAIRMAN TILLERY: Is there a motion.

20 MR. BOSWORTH: So moved.

21 CHAIRMAN TILLERY: It's been moved, and is
22 there a second?

23 MS. SEE: Second.

24 CHAIRMAN TILLERY: It's been moved and
25 seconded that the Trustee Council approve \$98,800 for the

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1 moving budget with \$37,600 in FY-01 and 61,200 in FY-02 for
2 purposes of the furniture and dealing with the old lease.
3 Is there any further discussion?

4 MR. BALSIGER: With the understanding that
5 there will be a breakdown on the furniture mailed around.

6 MS. McCAMMON: Yes.

7 CHAIRMAN TILLERY: For an opportunity for
8 further comment.

9 MS. McCAMMON: Yes.

10 CHAIRMAN TILLERY: Any further discussion.
11 All in favor, signify by saying aye.

12 IN UNISON: Aye.

13 CHAIRMAN TILLERY: Opposed.

14 (No opposing responses)

15 CHAIRMAN TILLERY: Motion passes.

16 MS. McCAMMON: Okay, the next section is on
17 the habitat program. And in your packet you have two
18 reports on the status of the large parcel program and the
19 small parcel program. Currently, the only activity really
20 underway on the large parcel program is preparing the final
21 documents for the closing on the Koniag Conservation
22 Easement. Those are being prepared with the Department of
23 Interior having the lead, the Alaska Department of Law is
24 assisting with that effort and it's my understanding those
25 are supposed to be completed sometime this fall.

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1 The other item on here for large parcel is
2 the Lower Karluk River. As we discussed at a prior Council
3 meeting, the appraisal is completed, the landowner is now
4 considering what type of protection package they might
5 support but there is no additional activity at this point.
6 One item on here under additional protection possibilities
7 on Page 6 of the large parcel status report, which isn't on
8 here, but probably it would be in the future, is Afognak
9 Island. And under a separate agenda item we do have Jerry
10 Wells, from the Rocky Mountain Elk Foundation and some
11 others who are here to talk about some additional
12 opportunities on northern Afognak Island that they're
13 currently pursuing.

14 The most activity right now is under the
15 small parcel program and the way we've organized the small
16 parcel status report is to talk first about the funds
17 available because under our investment authority this was
18 all contingent on limiting the amount of funds that could
19 be spent on habitat protection. And so no more than the
20 6.3 million could be spent through 2002 from that pot of
21 money and then an additional, now, 25 million for small
22 parcel habitat protection beginning October 2002. We've
23 broken down the acquisitions that have been completed, the
24 support costs, the outstanding offers, items that are under
25 consideration or parcels that are still under consideration

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1 and then other designated funds.

2 There are a couple of action items that are
3 needed as part of this. First of all, the Trustee
4 Council's offers on the duck flats in Jack Bay package with
5 the University of Alaska expired June 21st, 2001. There
6 are two resolutions in your packet for renewing the offers
7 for the two duck flat parcels. Negotiations on those
8 parcels are nearly complete and we do have the Forest
9 Service here to talk about these resolutions or if you have
10 questions about them. There is still an outstanding issue
11 with the subsurface on Jack Bay. This has not been
12 resolved yet and there's not a resolution before you today
13 on that. The issue is that the Forest Service is to be
14 getting ownership of these lands, the State of Alaska owns
15 the subsurface and there's a question about how and if that
16 might be transferred and that has not been resolved yet.
17 So those two resolutions do need your action.

18 Number 3, the item regarding the Tatitlek
19 homesites. The homesites on which the Council did make an
20 offer more than a year ago have been purchased by Chugach
21 Alaska Corporation. The Forest Service is talking to them,
22 at a price higher than they had been appraised at, and the
23 Forest Service has been talking to them about the
24 possibility of Chugach Alaska selling them or looking to
25 see if there are other homesite owners who are willing

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1 sellers. So at this point there is no action on the pot of
2 money that is set aside for acquiring Tatitlek homesites.
3 And actually it's just not an action item because it just
4 maintains the status quo.

5 The next item is the one million designated
6 by the Council for Kodiak 10-acre parcels. A small amount
7 remains unallocated in each of the two pots, the Larson Bay
8 shareholder pot and the Kodiak tax parcel pot. Fish and
9 Wildlife Service has requested that these two amounts be
10 combined so they could be used for either Larson Bay
11 shareholders or Kodiak tax parcels. They're both in the
12 same area, they're kind of the same type of parcels so it
13 would just increase the flexibility in spending the funds
14 and also simplify our record keeping. And so action would
15 be needed on that. And with the exception of those
16 parcels, all the other acquisition efforts are proceeding
17 and no other changes are being recommended.

18 The support costs for the current
19 activities that are in place, we have estimated at
20 \$161,800. These have been broken down into a specific
21 budget that will be taken up under the work plan.

22 And then lastly, I did want to report on
23 the status of the Pilot Grant with the Nature Conservancy
24 and the Conservation Fund which you approved in January of
25 2001. It has not been finalized although it is very close.

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1 It is my understanding that the governments are now
2 satisfied with the grants and it is now the draft grant and
3 it is now being sent to the Conservation Fund and the
4 Nature Conservancy for their lawyers to look at it. We're
5 hoping they'll do that review pretty quickly and we can get
6 it signed and underway. Originally the grant was going to
7 be about 18 months, we're looking now at more like a 12
8 month grant, than an 18 month grant, although, it does have
9 provisions for extension in it. The kinds of changes that
10 have been made have been pretty much non-substantive, just
11 adding a lot of clarifying language regarding title review
12 and whether a warranty deed can be accepted or something
13 other than a warranty deed be accepted. Some of the
14 boilerplate Department of Interior grant language was
15 added, so nothing substantive was really changed, it was
16 more clarification in terms of various agency procedures.
17 But that grant is underway.

18 So the two action items that we need are
19 number 2 and number 4, and number 2 is for resolutions on
20 Prince William Sound 5 and Prince William Sound 6. And you
21 do have drafts in your packet and we do have the Forest
22 Service and Alex Swiderski is here if there are any
23 specific questions about this.

24 CHAIRMAN TILLERY: Are there questions?
25 Rob, did you have a question?

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1 MR. BOSWORTH: No.

2 CHAIRMAN TILLERY: I did have one, Alex,
3 have you reviewed these resolutions, five and six?

4 MR. SWIDERSKI: I did and they looked fine
5 to me. One comment I have is on the one on 05, there is a
6 provision for the Forest Service to continue to operate the
7 Crooked Creek Visitor's Center, which is a little unusual
8 but according to Fish and Game, that's kind of across the
9 street from the wetlands and Fish and Game being able to do
10 it.

11 CHAIRMAN TILLERY: Actually, you better
12 come up.

13 MS. LISOWSKI: I just wanted to respond to
14 that comment that the language in the current resolution is
15 the exact same language that was in the previous resolution
16 that the Council approved which also authorized the
17 visitor's center to operate.

18 CHAIRMAN TILLERY: For the record that was
19 Maria Lisowski. Other questions on five and six?

20 MR. GIBBONS: I'll move that we authorize
21 the new resolutions, that basically the only thing they do
22 is extend the date until September of next year.

23 CHAIRMAN TILLERY: Is there a second.

24 MR. BALSIGER: Second.

25 CHAIRMAN TILLERY: It's been moved and

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1 seconded that we adopt resolutions for PWS-05 and PWS-06.
2 Further discussion. All in favor of the resolution signify
3 by saying aye.

4 IN UNISON: Aye.

5 CHAIRMAN TILLERY: Opposed.

6 (No opposing responses)

7 CHAIRMAN TILLERY: Okay, those two
8 resolutions pass. The next one would require a motion, I
9 assume.....

10 MS. McCAMMON: That's correct.

11 CHAIRMAN TILLERY:and the
12 recommendation is the Trustee Council combine the funds
13 remaining in the two separate Kodiak 10-acre parcel pots of
14 money. I don't know if everybody's familiar with that but
15 in the past the Trustee Council has set aside certain
16 monies for on Kodiak island to try to get these small
17 inholdings and at this point it appears that we have just
18 enough money, not enough money to independently go after
19 them individually but combining them may be more efficient.
20 Is there any questions on that? Is there a motion?

21 MR. BALSIGER: Mr. Chairman, I move that
22 the Trustee Council approve combining the funds remaining
23 in the two Kodiak 10-acre designations so the funds can be
24 spent on either Larson Bay shareholder parcels or Kodiak
25 tax parcels.

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1 MR. GIBBONS: I'll second that.

2 CHAIRMAN TILLERY: It's been moved and
3 seconded. Further discussion. All in favor of the motion
4 signify by saying aye.

5 IN UNISON: Aye.

6 CHAIRMAN TILLERY: Opposed.

7 (No opposing responses)

8 CHAIRMAN TILLERY: Okay, that motion also
9 passes.

10 MR. BALSIGER: Mr. Chairman.

11 CHAIRMAN TILLERY: Mr. Balsiger.

12 MR. BALSIGER: On the first motion we made
13 we talked about Prince William Sound 5 and 6, but the
14 discussion here also has some question about 1010.....

15 MS. McCAMMON: 1010 is Jack Bay and that's
16 the one that there is still some discussion about the
17 subsurface so the offer has expired in June but discussions
18 are continuing and hopefully that will come back before you
19 at another time.

20 MR. BALSIGER: Okay, thank you.

21 CHAIRMAN TILLERY: Okay.

22 MS. McCAMMON: Okay, just two other items
23 briefly. One is on the ocean symposium and this is more of
24 an informational item that the Governor's office has asked
25 for our assistance in putting together an Alaska ocean

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1 symposium to be held sometime next spring. This would be a
2 coordinated State/Federal, private/non-private NGO effort
3 and there will be some organizational time devoted to that.
4 We are still planning on having our regular January
5 workshop next January which will focus on the status of
6 lingering oil and lingering oil injury and also be used to
7 focus on citizen monitoring, especially of intertidal
8 areas. So those are kind of the two major themes of the
9 regular EVOS workshop next January. This would be
10 something in addition to that that would be looking at
11 things from a broader perspective and basically looking at
12 all of Alaska's oceans and coastline.

13 I think the idea there, there is some
14 discussion with the folks who are organizing the Bering Sea
15 Summit and I know Suzanne Marcy is here and is going to
16 talk about this, I think, under public comment. But we'll
17 be coordinating efforts with that summit and with others so
18 that there's no overlap or duplication but we can actually
19 kind of combine forces of things. But I just wanted to let
20 you know that that is underway and I've been asked to
21 assist with that effort.

22 The last item that is before you under this
23 section is the GEM writing contract, and this is another
24 transferring of funds to do something that was unexpected.
25 Project 01-630 included funding for contract writers to

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1 draft the scientific background chapter of the GEM document
2 and this was really successful in terms of getting really
3 expert experts to write these sections of the document. As
4 we were going through and writing chapter 2, the current
5 chapter 2 of the GEM draft, which is discussion of human
6 uses and human activities and the potential human impacts
7 in the spill area, it became evident that this chapter
8 could really benefit from having, kind of the high level,
9 review of the literature and really a much more in-depth
10 presentation of some of those issues and we would need to
11 contract out to do that. There was some funding left in
12 the GEM planning project to be devoted to this, about
13 \$5,000. We anticipate that this will cost close to \$15,000
14 or so to do this. It's going to take more in-depth
15 research than just looking through and doing a literature
16 search. It's actually going to involve interviewing people
17 and talking to a lot of them. We've had an intern, this
18 summer, put together some of the preliminary work on this.
19 But I think to really do a good job on it will require more
20 effort than our other writers needed to put together their
21 sections. The other writing sections cost somewhere
22 between six to eight to \$9,000 each. This one we think
23 will cost a little more. So our recommendation is to
24 transfer \$10,700 from the GEM data management project to
25 the GEM planning project, 01-630 in order to contract for

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1 preparing this portion of the document.

2 CHAIRMAN TILLERY: Are there questions? We
3 seem to be taking a lot of money from 1455?

4 MS. McCAMMON: That's correct.

5 CHAIRMAN TILLERY: What happened.....

6 MS. McCAMMON: What's left?

7 CHAIRMAN TILLERY: What happened to that?

8 MS. McCAMMON: Well, that project was to
9 hire a data manager and our goal was to start advertising
10 in March and have one hired by June. As we started getting
11 into how we would actually -- as we started putting
12 together the job description and circulating it for review,
13 there was a lot of discussion of what types of skills were
14 needed immediately versus long-term and they're still
15 trying to get all of those kinds of skills in one person is
16 probably impossible, so then you have to decide what is
17 most important? Is it technical skills, is it leadership
18 skills, working with a variety of groups of people, some
19 combination, and in working on the GEM report itself, kind
20 of working on that job description got put off to a little
21 bit later date and so we don't anticipate hiring until
22 actually FY-02. There's still a little bit of money left
23 in that project so if we could get somebody really ideal we
24 could still get someone on by mid-September.

25 CHAIRMAN TILLERY: I think we need a

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1 motion.

2 MS. McCAMMON: Yes.

3 MR. BALSIGER: Mr. Chairman.

4 CHAIRMAN TILLERY: Mr. Balsiger.

5 MR. BALSIGER: I move that the Trustee
6 Council approve the transfer of \$10,700 from project 1455
7 to project 1630 for the purpose of contracting for
8 preparation of a human uses section of the GEM document.

9 MS. SEE: Second.

10 CHAIRMAN TILLERY: It's been moved and
11 seconded. Further discussion. All in favor of the motion
12 signify by saying aye.

13 IN UNISON: Aye.

14 CHAIRMAN TILLERY: Opposed.

15 (No opposed responses)

16 CHAIRMAN TILLERY: Okay.

17 MS. McCAMMON: And that concludes my

18 report.

19 CHAIRMAN TILLERY: Okay, that brings us to
20 -- we're definitely running behind, that brings us to the
21 next item on the agenda which is the public advisory group
22 report from Chuck Meacham. Chuck, are you in Juneau?

23 MR. MEACHAM: Yes, I am. Are you able to

24 hear me okay?

25 CHAIRMAN TILLERY: We can hear you fine.

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1 Would you go ahead with your report.

2 MR. MEACHAM: Yes, and I'll try and make it
3 short and precise. We did have a short working group
4 session on July 17th that included a number of PAG members,
5 mostly dealing with governance of the Gulf Ecosystem
6 Monitoring Program and then on July 18th we had our formal
7 meeting at which we did establish a quorum. I think you're
8 going to be hearing a report later today by Jeff Short.
9 That report was provided to us and it dealt with lingering
10 oil. We found that very interesting and of some concern to
11 the Public Advisory Group. But most of our efforts
12 actually dealt with two items. First the Gulf Ecosystem
13 Monitoring Program governance and then secondly, with the
14 FY-2002 work plan.

15 With regard to our general discussion on
16 governance, we did have some general consensus points as a
17 Public Advisory Group. The first issue dealt with National
18 Academy of Science report suggested a number of committees,
19 however, the Public Advisory Group thought it would be more
20 efficient to have fewer committees and a group more similar
21 to the existing Public Advisory Group. But in that process
22 to actually include additional community representatives,
23 scientists and resource managers, specifically the National
24 Academy of Sciences suggested four separate committees, a
25 program advisory committee, a science advisory committee, a

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1 community advisory committee and a principal investigators
2 coordinating committee. And our general feeling was that
3 this was a little bit more than what would really be
4 necessary. Plus if we had a separate program advisory
5 committee and a separate, independent community advisory
6 committee it could potentially lead to conflicts and our
7 interest was in actually more effectively capturing the
8 general knowledge that's located in the communities rather
9 than to end up with a couple of committees that might be in
10 conflict with one another. So our thoughts there are to
11 combine those two.

12 A second item, we generally agreed with,
13 was that the chief scientist function could be incorporated
14 into a staff position located in Alaska, and that would fit
15 into the new building location there that Molly mentioned
16 earlier.

17 A third item was that both paid and
18 volunteer peer reviewers should be used in the process of
19 proposal evaluation.

20 And the fourth item dealing in the general
21 governance field had to do with the possibility of using a
22 multiple year proposal and funding cycle. At least for a
23 substantial portion of the projects. It would probably
24 tend to be more repetitive than some of the projects that
25 are now occurring. We did recognize the need to have

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1 annual flexibility but did not think that it would
2 necessarily be the case that all projects or all areas
3 needed to be dealt with on an annual basis.

4 Moving on to the second item of our general
5 discussion in dealing with the FY-2002 work plan. We did
6 discuss a number of projects.....

7 (Phone cut off)

8 CHAIRMAN TILLERY: We're cut off.

9 MS. McCAMMON: I think it's completely off,
10 isn't it?

11 CHAIRMAN TILLERY: Yeah, the phone, I don't
12 see any lights on.

13 MS. McCAMMON: Nobody kicked the cord?

14 CHAIRMAN TILLERY: No.

15 (Off record - 9:35 a.m.)

16 (On record - 9:53 a.m.)

17 CHAIRMAN TILLERY: The Trustee Council
18 meeting is back in session following a brief hiatus for
19 technical issues. Trustee Council members are still
20 present. Apparently Chuck Meacham who was cut off in mid-
21 report had to go to another appointment. There is a
22 discussion of the Public Advisory Group meeting in the
23 notebook and he asked that we refer to that discussion.

24 The next item on the agenda is the Afognak
25 Island Habitat effort, however, my understanding is that's

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1 going to be about a 30 minute presentation and we have to
2 break for public comment by 10:00 or shortly thereafter.
3 So what I'm going to do, if it's all right with you, is to
4 defer that for the moment and see if we can go to the
5 archeology status report and then we'll do public comment
6 at 10:00, which, again, we have kind of a time commitment
7 on that and then come back to your report; does that work
8 for you?

9 (No audible response)

10 CHAIRMAN TILLERY: Okay, Veronica, can you
11 do the archeology.

12 MS. CHRISTMAN: Mr. Chairman, members of
13 the Trustee Council, my name is Veronica Christman and I'd
14 like to give you briefing on the archeology project. This
15 is a project that was approved, incredibly nearly three
16 years ago. It was January of 1999 that the Trustee Council
17 authorized 2.8 million dollars for an archeological
18 repository as well as display facilities, local display
19 facilities in villages and traveling exhibits. And this
20 was for the Prince William Sound area as well as lower Cook
21 Inlet. And the purpose of the project was to establish a
22 repository to store and protect archeological artifacts
23 that were recovered during the oil spill as well as having
24 places to display them in villages. And this was
25 consistent with the restoration plan.

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1 Now, this project is being done under
2 contract with Chugachmiut, which is a Native non-profit
3 organization for the Chugach region. And the project has
4 gotten off to kind of a slow start. We attached many
5 conditions to the project to make sure that it would be
6 financially viable. And I'm very pleased to report at this
7 stage that the project is making substantial progress and I
8 think it will be an effort that you'll take a great deal of
9 pride in. The repository will be established in Seward in
10 an existing building called the Orca Building and that is
11 on 3rd Avenue and Washington. And the proposal was,
12 initially, to have roughly half of the first floor
13 remodeled into an archeological repository. And
14 fortunately the Chugachmiut recently received funding from
15 the Denali Commission to establish a dental clinic in the
16 other half of the first floor. The concept that
17 Chugachmiut has, as well as a number of the other villages,
18 is to combine the archeological project, be it a display
19 area or a repository with a health clinic. And that may
20 strike some of you as a strange combination of uses, have
21 your museum with your health clinic. But this concept is
22 viewed as a wellness center, you need to be in touch with
23 your culture as part of gaining health and that's the
24 concept behind this facility. There's a health clinic on
25 the second floor, there will be a dental clinic on the

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1 second half of the first floor and the repository that
2 you're funding on the other half and that project is under
3 design right now. We expect the design to be completed in
4 August and for them to move ahead with remodeling over the
5 winter and they have planned a grand opening in March of
6 2002. So I expect that project to be completed and
7 probably produce a much higher facility than the EVOS funds
8 on their own could possibly have provided. One, we've
9 already gone through the extensive review to determine
10 whether the design, the conceptual design is consistent
11 with Federal regulations and one factor, a big factor, is
12 to make sure that the facility itself has a sprinkler
13 system or some system of fire suppression. Not just fire
14 detection but also fire suppression. And this is an older
15 wooden building in Seward so fire suppression was extremely
16 important. And Chugachmiut has agreed, using other funds,
17 to have a sprinkler system throughout the entire building
18 and it was a major investment in this effort.

19 Moving on to the local display facilities
20 which is approximately a 1.8 million dollar part of the
21 project. We have received proposals for all eight
22 facilities. And, again, the villages that are affected are
23 the villages in Prince William Sound, Cordova, Valdez,
24 Tatitlek and Chenega Bay, as well as the villages in lower
25 Kenai Peninsula, Seward, Seldovia, Port Graham and

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1 Nanwalek. And we've received and evaluated proposals for
2 all eight communities and many of the proposals were really
3 outstanding and reflected a great deal of thought on the
4 part of the communities of how this kind of a facility
5 would fit into their community in terms of how they would
6 use it as well as how they would maintain it. Four of the
7 eight facilities will be in existing buildings and they
8 will consist of remodeling existing buildings. One that is
9 under construction right now, this is a remodel effort, is
10 in Cordova. It is in the Mariner Building which is next to
11 the AC Building in Cordova and that also will consist of a
12 health clinic and the repository. They submitted just an
13 outstanding design for that facility and it is under
14 construction right now. In Tatitlek, they proposed to
15 remodel half of the existing community building and have
16 that serve as a local display facility. In Port Graham,
17 the plan is to use one room within the Port Graham Village
18 Corporation Building to serve as a display facility. And
19 the Port Graham Village Corporation has contributed the
20 lease, it's a 20-year lease on that space. So we're also
21 seeing with many of these projects, a great deal of in-kind
22 match from the other groups in the community. And then the
23 final remodel effort is in Seldovia. And Seldovia, the
24 Seldovia Native Association will include a local display
25 facility in a major remodeling effort on the waterfront and

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1 it will be called the Maritime Mall and this is a remodel
2 of an abandoned burned out cannery on the waterfront. And
3 this project, a major source of funding is a 2.5 million
4 dollar grant, a Federal EDA grant to remodel this facility.
5 And EVOS funds will be used to establish, you know, a space
6 in that facility. And we expect that to proceed next
7 summer.

8 The four new facilities, new buildings,
9 will be a new community center in Nanwalek. And for that
10 project they are seeking additional funding, a block grant
11 and also the English Bay Native Corporation has donated
12 funds. The challenge for that facility is -- the reason
13 they need a new facility is that right now there are
14 programs occupying, you know, trailers scattered around, so
15 this new building will be a substantial improvement.
16 Seward, the Qutekcak Native tribe will also be building a
17 new tribal facility and they will be using AV-TECH labor
18 from the AV-TECH construction program. In Chenega, they
19 will also establish a new building on land donated by the
20 Chenega Corporation. And the Chenega project, they really
21 gave some thought as to how this would fit in the community
22 and how they would maintain it. So it will basically just
23 be a display area, a very expanded kiosk. They will not
24 have restrooms or office space or anything of that that
25 will really not fit in and cause some maintenance problems

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1 in the future. And the final project is an expansion of
2 the Valdez museum. This is a much larger expansion, three
3 to 4,000 square foot expansion of the museum. The local
4 display facility will be 500 square feet of that. And that
5 is planned for construction in the summer of 2003.

6 And then the third component is developing
7 exhibits to display in these facilities and they would be
8 traveling exhibits that could be exchanged among the
9 facilities and the planning for this effort will begin once
10 the repository is in operation and that should be in spring
11 of 2002. And we would expect the construction to take
12 place in 2003. And the construction of most of the
13 facilities, all except Valdez, will take place next summer,
14 summer of 2002. So I would expect most of the work on this
15 project to be completed by the end of fiscal year 2002.
16 But because of the Valdez project and construction of the
17 exhibits straying into the fiscal year 2003, we are
18 requesting that the project support funds be allowed to be
19 spent in the next fiscal year.

20 CHAIRMAN TILLERY: Thank you.

21 MS. CHRISTMAN: Any questions?

22 CHAIRMAN TILLERY: Are there questions
23 Council members? Rob, did you have anything?

24 MS. OBERMEYER: Hello?

25 CHAIRMAN TILLERY: Rob, did you have any

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1 questions?

2 MR. BOSWORTH: No, Craig, no questions.

3 CHAIRMAN TILLERY: Okay.

4 MS. OBERMEYER: Hello?

5 CHAIRMAN TILLERY: Hello, Mrs. Obermeyer.

6 MS. OBERMEYER: Yes, sir.

7 CHAIRMAN TILLERY: We'll be getting to

8 public comment in just a minute.

9 MS. OBERMEYER: Thank you.

10 MS. McCAMMON: There are two items, Mr.

11 Chairman. One, is the additional support cost of \$29,100

12 are in the work plan and somebody's going to have to do

13 this, I think?

14 CHAIRMAN TILLERY: Yeah.

15 MS. McCAMMON: And that will come up later

16 in the day, but the item now that we need action on is to

17 extend to September 30th, 2003, the lapse date for support

18 costs approved in prior years and that totals \$128,200.

19 Just because the timing of this project is being a little

20 further extended into the future than we had originally

21 anticipated. So we would appreciate action on that.

22 MS. SEE: So moved.

23 MR. GIBBONS: Second.

24 CHAIRMAN TILLERY: Okay. It's been moved

25 and seconded that the lapse date be extended to September

00049

1 30th, 2003 for support costs approved in prior years to the
2 sum of \$128,200. Further discussion.

3 MS. SEE: I just wanted to note that I
4 wanted to thank Veronica for your great presentation. This
5 is really heartening to see the progress on these projects.

6 MS. CHRISTMAN: Thank you.

7 MS. SEE: It's a great step forward to see
8 how these are going. Thank you very much.

9 MS. CHRISTMAN: Okay.

10 CHAIRMAN TILLERY: For those of you on
11 line, we had a telephone meltdown and we're now operating
12 with one speaker phone and there are going to be times that
13 you're not going to hear some of the comments. We're going
14 to try to move the phone around but we apologize for that.

15 Further discussion. All in favor of the
16 extension of the dates, say aye.

17 IN UNISON: Aye.

18 CHAIRMAN TILLERY: Opposed.

19 (No opposing responses)

20 CHAIRMAN TILLERY: Okay, the date is
21 extended. Thank you very much, Veronica, it was an
22 excellent report. That brings us at this time to the
23 public comment period. It appears that we have several on
24 line, if we can take them first, in Seward, is -- and for
25 those making public comments, we would appreciate it if you

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1 -- we have a very long day here, we would appreciate it if
2 you could try to keep your comments down to about five
3 minutes.

4 MS. HOMAN: Just listening in, no comment.

5 CHAIRMAN TILLERY: Okay. That was from
6 Seward?

7 MS. HOMAN: Yes.

8 CHAIRMAN TILLERY: Okay. Ms. Obermeyer,
9 did you have a comment?

10 MS. OBERMEYER: Yes, sir, and who am I
11 speaking with?

12 CHAIRMAN TILLERY: This is Craig Tillery.

13 MS. OBERMEYER: Oh, sure, Mr. Tillery, how
14 is your day going?

15 CHAIRMAN TILLERY: It's going really good,
16 Mrs. Obermeyer.

17 MS. OBERMEYER: I'm really pleased to speak
18 over the phone and apologize, I would prefer to be there in
19 person and I really always am very interested in your work,
20 although, we cannot all be experts in what you have
21 learned. And so I look at the title of the organization,
22 Exxon Valdez, and can we remember that neither the
23 fishermen or the attorneys in an oil spill that occurred in
24 1989 have been paid. That frightens me. You see, I just
25 believe that there is nothing more important than the

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1 attorneys and the fishermen being paid in an oil spill that
2 occurred 12 years ago, and I don't see it happening. I see
3 an Exxon that is number 1 of the Fortune 500 firms and they
4 are so above the law they don't have to pay. I mean
5 finally their profits are so astronomical, the payment of
6 these attorneys and fishermen is table scraps. It's not a
7 lot of money. I mean if it's 30 or 40 million, so what,
8 that's table scraps to Exxon.

9 But I wanted to simply mention, briefly,
10 and I know you want me to limit my comments, I now read the
11 morning paper and I see that the man that jailed me for 29
12 days when I thought I was an American and had a right to
13 run for public office is speaking to the Board of Realtors
14 on Wednesday at the Captain Cook, and of course I'm going
15 to that, and you see, what I really unequivocally know is
16 the U.S. Senator that is about a 33 or 34 year incumbent,
17 he is a total fraud. He was not even licensed to practice
18 law here barely as long ago as 1960. What I usually say,
19 Mr. Tillery, is I prove over and over and over how honest I
20 am. And how everything that my husband and I have learned
21 is really so true because nothing changes. I have been
22 prosecuted for a decade as my husband hasn't been licensed
23 to practice law. Now the rhetorical question is, sir, when
24 are we going to get some help?

25 You see, Mr. Tillery, the greatness of our

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1 nation is individual responsibility. I'm trying to be
2 individually responsible but I can't do it alone. And I'd
3 like to briefly mention that I live in a state where we
4 have term limits and recalls of the lowest level grassroots
5 politicians, which are the school boards and the assemblies
6 and we have U.S. Senators who are in office for life and
7 their only role is getting their own children in public
8 office. I am one, Mr. Tillery, that cannot imagine that.
9 Let's begin by mentioning that Frank Murkowski wired a
10 State House seat for his daughter Lisa. Now that was in
11 1998, she is now a two term incumbent, Lisa Murkowski.
12 Then Frank Murkowski tried to get his second daughter
13 elected in Fairbanks, her name is Eileen VanWyhe, that's V-
14 A-N-W-Y-H-E, and finally she did lose in the general, but
15 she ran openly. Now, we have the man that jailed me for 29
16 days, he's trying to wire a State Senate seat for his son.
17 Now, I know, Mr. Tillery, because I've always known
18 politics, although I am a college administrator with a
19 Ph.D., I grew up always around politics, I know that Robin
20 Taylor and Ted Stevens cut a deal to put Ben Stevens in the
21 State Senate because we do know that Robin Taylor wants to
22 be Governor and, of course, Ted Stevens wants to be
23 crowned. He is up for election, can we remember this?
24 CHAIRMAN TILLERY: Could you wrap up,
25 please?

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1 MS. OBERMEYER: I want to ask you, Mr.
2 Tillery, would you help make sure that Ben Stevens does not
3 -- he doesn't even have to run, he gets appointed. I
4 cannot believe it. This is so outrageous, it is truly
5 beyond my comprehension that these people do this stuff
6 openly and we let them. So let me make sure, did you
7 understand what I was explaining, sir?

8 CHAIRMAN TILLERY: Yes, Mrs. Obermeyer, I
9 did and your five minutes is about up so if you could just
10 wrap up very quickly.

11 MS. OBERMEYER: I just hope, Mr. Tillery,
12 and I'd like to leave you with thinking about individual
13 responsibility and accountability. You seem like such a
14 fine gentleman, and, sir, you're an attorney. You see I
15 know attorneys to be very bright and I know attorneys to be
16 leaders, I don't see that in Mr. Tillery. And let me
17 mention, would you look on Page 160 of your Directory of
18 Attorneys because I believe there is something like 456
19 state attorneys out of 2,200 attorneys. About one-fourth
20 of the attorneys in our state are state attorneys. Look on
21 Page 160 of your Directory, would you, sir?

22 CHAIRMAN TILLERY: Okay, thank you,
23 Mrs.....

24 MS. OBERMEYER: And thank you for hearing
25 me and I hope to come the next time.

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1 CHAIRMAN TILLERY: Thank you very much Mrs.
2 Obermeyer.

3 MS. OBERMEYER: Have a great day.

4 CHAIRMAN TILLERY: Okay, thank you. Okay,
5 that's all the people I have an indication that are on
6 line. Is there anyone else on line who would like to
7 comment?

8 MR. REFT: Yeah, Chuck Reft in Anchorage.

9 CHAIRMAN TILLERY: Chuck, go ahead, and
10 again, we'd like to keep this down to about five minutes if
11 you can.

12 MR. REFT: Yeah, I am just getting in on
13 this -- under your Agenda Item 2, habitat, I was wondering
14 if Karluk was listed as status of large and small parcel
15 programs?

16 CHAIRMAN TILLERY: Yes, sir, it was --
17 Karluk was discussed, but only briefly and if I recall
18 correctly the mention that was made that there was really
19 nothing happening on that right now.

20 MR. REFT: No further negotiations going
21 on?

22 CHAIRMAN TILLERY: Ms. McCammon, would you
23 like to -- I think it was very brief.

24 MS. McCAMMON: It's my understanding the
25 appraisal has been reviewed and approved. It's been given

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1 back to the landowner. They're talking among themselves
2 and we have not had any discussion with them.

3 MR. REFT: Okay. Molly, the last time I
4 called and informed you of what was going on on our part
5 here, did that get relayed to the rest of the Trustee
6 Council members?

7 MS. McCAMMON: All of your correspondence
8 has been given to them.

9 MR. REFT: Okay. I'm referring to when I
10 mentioned the phone conversation to you about the FBI
11 investigating the Karluk Council.

12 MS. McCAMMON: No, I did not pass that on.

13 MR. REFT: Currently, I guess to put it on
14 record here, that the FBI is currently investigating our
15 Karluk Council and whether indictment or prosecution
16 follows, I don't know at this time. But it is still
17 currently under investigation, so, I'd like that to go on
18 the record.

19 CHAIRMAN TILLERY: Okay, thank you very
20 much. Is there anything else?

21 MR. REFT: Yeah. Can I request a copy of
22 the minutes and also a packet?

23 CHAIRMAN TILLERY: Yes.

24 MS. McCAMMON: Sure, uh-huh.

25 CHAIRMAN TILLERY: Yes, those will be sent

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1 to you and I assume, Molly, you have his address?

2 MS. McCAMMON: Yes, we do.

3 MR. REFT: Yeah.

4 CHAIRMAN TILLERY: Okay.

5 MR. REFT: I'd just like to relay once
6 again that we're trying to resolve our internal problems
7 here as been relayed.

8 CHAIRMAN TILLERY: Okay, thank you. Are
9 there questions for Mr. Reft? Okay, thank you very much,
10 Mr. Reft.

11 MR. REFT: Thank you.

12 CHAIRMAN TILLERY: Okay. Is there anyone
13 else on line who has not commented who would like to say
14 something? Okay, here in Anchorage I believe we had
15 Suzanne Marcy who would like to make a comment.

16 MS. MARCY: Thank you, Mr. Chairman and
17 Council members, it's a real privilege for me to be here
18 today. I want to take this opportunity to tell you a
19 little bit more about the Bering Sea Summit 2002 that's
20 scheduled in April of the coming year in Anchorage. I'm
21 having some materials passed out to you that gives you
22 summit in review and the status. I should introduce
23 myself, first, of course, I'm Suzanne Marcy with the U.S.
24 Environmental Protection Agency and the Office of Research
25 and Development. The Bering Sea Summit is a partnership

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1 between the Office of Research and Development and Region
2 10 for EPA and also we're hoping that it will be a
3 partnership across Alaska. What I'd like to do is briefly
4 go over the two documents that are passed out, the Bering
5 Sea Summit in review and the status and then if you have
6 any questions, I'd be welcome to take those.

7 The Bering Sea Summit has been in
8 development for the last five years in truth and over the
9 last year we've been doing significant work in organizing
10 it. The purpose is to engage all segments of the Bering
11 Sea community in a dialogue to define a shared vision for
12 sustainable future there. The goal is to generate concrete
13 recommendations on how to achieve that sustainable future
14 for a Bering Sea region. The need is that multiple human
15 and natural stressors are in combination likely causing
16 significant changes that we're seeing in this region and
17 that it will require a multiple agency effort, even down to
18 the local citizens in order to give new direction to and
19 achieve a sustainable and desirable future that we may have
20 for that region.

21 The scope of the summit is regional and
22 that needs to be emphasized because apparently there's some
23 misunderstanding about the scope. We see the area
24 encompassing the Bering Sea marine and coastal ecosystems,
25 the freshwater terrestrial watershed ecosystems that

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1 influence the Bering Sea and the other ocean systems that
2 significantly influence it, including the North Pacific and
3 the Arctic Ocean. So it's an international region. We
4 certainly see the North Pacific and the Gulf as being a
5 significant part of that region. The participants that we
6 hope to engage in the summit include an opportunity for up
7 to 1,000 interested parties to come together and we want
8 those interested parties to be the cross-section of
9 interest in this region. We want them to join in the
10 dialogue and include the Federal and State agencies, all
11 commercial interests and user groups, the tribal
12 governments and rural communities, environmental groups,
13 researchers, trade associations among any others that we
14 can engage in the process.

15 The process we envision is a facilitated
16 dialogue that will be within and across constituency
17 groups. One thing that's not noted in the update is that
18 we hope to have pre-caucusing occur at the Alaska Forum on
19 the Environment as well as caucusing occurring at the
20 summit itself. So we're developing a partnership with that
21 meeting as well. We want to define that desired future and
22 then make specific recommendations on how we can work
23 together to achieve it. We hope the summit results are --
24 multiple organizations that are interested in the outcome
25 of the summit will come together and make recommendations

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1 that can be targeted for use for specific organizations as
2 well as local communities and some of the things that we've
3 been listening to is the North Pacific Fisheries Management
4 Council is interested in ecosystem based management and
5 they may be able to use the results of the summit for that
6 planning. The Inter-Agency Arctic Research Policy
7 Committee has just established an integrated assessment for
8 a sustainable Bering Sea project, there's an Inter-Agency
9 working group that is now working for that. I chair that
10 group and we are moving forward. We see the summit as the
11 planning piece of an integrated assessment for the Bering
12 Sea region. And we certainly hoped in our -- when
13 listening to the North Pacific Research Board meetings last
14 May that this would be an opportunity for them to present
15 their first year research plan for consideration.

16 In terms of status, we have an
17 implementation team that's been established and we are
18 seeking input. We hope to have at least 20 conveners, co-
19 conveners that will come to the table and help us design
20 it. We want a cross-section of those conveners from all
21 interest groups in the Bering Sea region. And we wish to
22 have these conveners come together and help establish a
23 steering committee and establish a good agenda for the
24 summit to achieve multiple goals, but the principal goal is
25 to finding that end that we want to achieve for a strategy

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1 for protecting this region and utilizing its resources
2 effectively.

3 The venue will be at the Egan Center. We
4 have that for the entire week, the entire Egan Center, so
5 we have lots of flexibility on how we use that space. A
6 block of rooms have been reserved at the Hilton Hotel to
7 support people coming from out of the area. In terms of
8 contracts and resources that are set up, the Science
9 Applications International Corporation, SAIC has been under
10 contract since October of 2000 organizing -- helping us
11 organize the logistics for this and they will be following
12 through at the summit. We had an eight month hiatus trying
13 to get Meridian Institute on board and that's one of the
14 reasons that we're starting this convener process so late
15 because they are the principals for bringing the conveners
16 and steering committee together and to facilitate that
17 process. EPA sees itself as a catalyst for this and we
18 would like to have a disinterested party help form the
19 process and work with conveners. We see ourselves as
20 simply one of many conveners at this meeting. So we're now
21 thankful that they're on board and we'll be moving forward
22 with the conveners group and steering committee. They are
23 specialists in mediation and facilitation processes.

24 The budget, we anticipate about a \$550,000
25 total budget and we have secured more than 50 percent of

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1 that. We will be looking for additional funds to make sure
2 we have a successful summit. Outreach efforts to date,
3 since August last year we've sent postal and e-mails to
4 over 2,000 individuals and organizations around the Bering
5 Sea summit, we have a Bering Sea conceptual model of
6 interested parties that we drafted a couple of years ago
7 and was sent around for review, we hope to have that
8 available for distribution at the summit itself. But it
9 identifies all of the interested parties that we can come
10 up with, I mean we've been looking for a long time trying
11 to find those organizations and contact information and so
12 forth. We'll be using that, again, further with our
13 outreach effort. The concept for this planning, the
14 science integration has been presented to a number of
15 different organizations including EVOS a couple of years
16 ago. We do have a website that is ready for posting.
17 We're waiting to see what negotiations emerge with the new
18 state effort that we just learned about two weeks ago. And
19 we're very, very pleased that the State is expressing so
20 much interest and we hope that we can figure out how best,
21 as Molly mentioned, to bring these efforts, and, one, since
22 they're almost total geographic overlap, stakeholder group
23 overlap and we certainly consider the State to be key
24 partners.

25 We have a symposium that we're introducing

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1 in association with the summit which is First International
2 Symposium for Sustainable Bering Sea, this is to get
3 scientists together for state of the knowledge on
4 integration. We're really focusing in on integration so
5 that's integration across the ecosystem, it's integration
6 among economic ecological and cultural and health issues.
7 There is a great number of opportunities for scientists to
8 be thinking in a very integrated way and we see that as
9 critical for the Bering Sea in the future. So this
10 symposium will be bringing together scientists, from,
11 hopefully all disciplines within that economic, ecological,
12 health and culture to see what we can learn about the state
13 of the knowledge in this arena. The Inter-Agency working
14 group for the Bering Sea and the IARPC will be helping
15 convene that and we have a number of scientists who've
16 agreed to co-convene that and serve as a scientific
17 steering committee.

18 And finally, right now, I'm serving as the
19 point of contact for the Bering Sea summit. I will be
20 delegating responsibility to Meridian to go forward with
21 convening the conveners and steering committee and a number
22 of other activities like the summit -- like the symposium
23 and so forth will be delegated. But I can certainly serve
24 as a key point of contact on the Bering Sea summit. Some
25 of you have received, and I don't know if Paula made copies

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1 for everyone of the concept paper, but we do have a longer
2 and more detailed concept paper that we're using to meet
3 with conveners and that's certainly available for you and I
4 welcome any questions at this time.

5 CHAIRMAN TILLERY: Are there any questions
6 of -- and I would like to note for the record and for Rob's
7 benefit, that Frank Rue has joined us, and so Rob, I guess
8 you're relieved.

9 MR. BOSWORTH: Yeah, thanks, I'm going to
10 continue on through this agenda item and then I'll sign
11 off.

12 CHAIRMAN TILLERY: Okay. Any questions
13 from Council members, comments?

14 MS. MARCY: Okay, thank you.

15 CHAIRMAN TILLERY: Thank you very much.

16 MS. MARCY: Thank you very much, and I do
17 want to extend my sincerest hope that the EVOS will be one
18 of the conveners in this summit. Thank you.

19 CHAIRMAN TILLERY: Thank you. Is there
20 anyone else here in Anchorage who has a public comment?

21 (No audible response)

22 CHAIRMAN TILLERY: Is there anyone else who
23 has joined us on line who has not previously commented who
24 would like to make a public comment?

25 (No audible response)

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1 CHAIRMAN TILLERY: Okay. We will close the
2 public comment session at this time then and proceed to the
3 item on the agenda regarding the Afognak Island Habitat
4 Effort with Mr. Wells.

5 MR. WELLS: Thank you. It will take us
6 just a second to get organized here.

7 MR. RICHARDSON: Good morning. My name is
8 Tim Richardson and I'm Executive Director of the Kodiak
9 Brown Bear Trust. The Trust is a non-profit conservation
10 organization created in 1981 to support the majestic Kodiak
11 brown bear through habitat protection, research and public
12 education. The Trust supports the historic restoration
13 achievements of this Council and are pleased to address the
14 Council this morning. My involvement with the oil spill
15 began in 1989 when I was a member of the House Merchant
16 Marine and Fisheries Staff and toured Kodiak Island. I
17 have, from 1990 to 1995, worked with Old Harbor Native
18 Corporation and Akhiok Kaguyak promoting projects, the Seal
19 Bay acquisition and the creation of Afognak Island State
20 Park and subsequent Kodiak refuge inholding purchases.

21 We're going to be going through, to stay on
22 schedule, a quick presentation. We'll invite questions at
23 the end. This map of the Kodiak Archipelago represents the
24 Trust's habitat protection priorities following the
25 Council's 1997 AJV agreement. Dark green areas show large

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1 habitat parcels protected by 1997, yellow areas show large
2 parcels with significant wildlife and public values the
3 Trust has prioritized for future protection. The Karluk
4 and Sturgeon inholdings in the southwest portion of the
5 Kodiak refuge were always our top priority and we're
6 thrilled by the Council's recent agreement with Koniag,
7 Inc., to conserve these world class salmon and brown bear
8 areas.

9 Looking at Afognak Island, the light green
10 area on northwest Afognak is the 50,000-acre Red Peak unit
11 of the Kodiak refuge created by ANILCA in 1980.
12 Immediately to the northwest is Afognak Island State Park
13 in the old AJV01 Shuyak Strait parcel. Across Shuyak
14 Strait to the north is Shuyak Island State Park which now
15 covers the entire island. The dark green areas to the east
16 are the Paul's and Laura, Seal Bay and Tonki Cape portions
17 of Afognak Island State Park. Together these three State
18 and Federal conservation units total 180,000 of nearly
19 contiguous habitat and offer some of the finest wildlife
20 and remote recreation areas in Alaska. The parcels that
21 made up Afognak Island and Shuyak Island State Parks were
22 among the highest priority habitat protection parcels in
23 the spill region. Their acquisition for a combined \$155
24 million represents the largest EVOS habitat investment in
25 one area. The yellow areas on north Afognak in Perenosia

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1 Bay and the large parcels on Afognak's west coast,
2 including Afognak Lake, represent an additional 150,000
3 acres of high quality habitat where landowners have
4 discussed fee acquisition or conservation easements with
5 the Council. Recently Ouzinkie Native Corporation has
6 discussed an additional 35,000 acres east of Paramanoff Bay
7 and south of Perenos Bay. Given the size of these areas
8 and the fact that the Council has allocated nearly all of
9 your habitat funds, the Trust has sought partners who could
10 help raise millions of private foundation dollars for a
11 multi-phased approach that could leverage remaining EVOS
12 dollars. Last December the Trust signed an MOU with the
13 American Land Conservancy and the Rocky Mountain Elk
14 Foundation. Both organizations have protected habitat in
15 the Lower 48 worth more than \$500 million in the last 10
16 years and have track records of doing creative and
17 challenging habitat agreements.

18 The following presentation reflects the
19 salient points we are making to private foundations to
20 complete the Council's Afognak legacy.

21 The first phase of our effort is focused on
22 the remaining Afognak Joint Venture holdings in Perenos
23 Bay. These areas total 18,000 acres of coastal habitat
24 with very high values for oil spill injured species. If
25 acquired these gap parcels within Afognak Island State Park

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1 would give State park and Fish and Game officers complete
2 management authority within a legislatively approved State
3 Park. Included in the Phase I area are the 2,000 acres of
4 the AJV timber reservation located east of Paul's and Laura
5 Lake in this image. Sitka spruce within the timber
6 reservation represents some of the most valuable habitats
7 for wildlife, particularly marbled murrelet and bald eagle.
8 These 200 to 400 year old trees on a gently rolling
9 topography offer ideal habitat for murrelets and eagles as
10 well as stable riparian zones for pink, sockeye and coho
11 salmon and Dolly Varden. The timber reservation is also
12 prized for logging operations that are temporarily on hold
13 pending the outcome of our conservation efforts.

14 In evaluating the habitat protection
15 opportunities on Afognak we have found that, although, 95
16 percent of the salmon resources in Prince William Sound and
17 within the Kodiak refuge are now protected by EVOS
18 agreements, less than 10 percent of Afognak's salmon are
19 protected. Afognak's timber and salmon resources have long
20 been recognized as nationally significant since Benjamin
21 Harrison created the Afognak Forest and Fish Culture
22 Reserve in 1892.

23 The wide variety of wildlife depend upon
24 Afognak salmon including approximately 400 Kodiak brown
25 bears. Over 70 percent of Afognak brown bear habitat,

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1 including the best denning and salmon feeding areas lack
2 protection. The near-shore waters of Perenosa Bay offer 14
3 species of marine mammals exceptional feeding, pupping and
4 calving habitats. Marine mammal protection was a top
5 priority of EVOS restorations and an original purpose of
6 the 1892 Afognak reserve. This is an image of an orca
7 chasing a pod of chinook salmon. Multiple EVOS restoration
8 objectives from herring, subsistence recreation and
9 commercial fishing would benefit by completing Afognak
10 Island State Park. No EVOS restoration objective will be
11 aided by a resumption of intensive clear-cut logging.
12 Afognak's resources and public values are once again poised
13 in a unique moment in time and to help complete the
14 Council's oil spill restoration legacy the Bear Trust has
15 asked for and received the help from two new partners and
16 I'd like to introduce Jerry Wells of the Rocky Mountain Elk
17 Foundation.

18 MR. WELLS: Good morning, my name is Gary
19 Wells with the Rocky Mountain Elk Foundation and it is an
20 honor to be here among you. The Elk Foundation is a hunter
21 based organization of over 130,000 members, both nationally
22 and internationally. Our mission is to provide for the
23 future of elk and other wildlife in their habitat. To that
24 end, we have conserved over 300,000 acres of critical
25 wildlife habitat in the 14 years of our existence.

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1 The Elk Foundation's interest in Afognak
2 initially focused entirely on elk. We have helped fund a
3 study by the Alaska Fish and Game's Larry VanDaele that is
4 looking at genetic diversity of the Afognak elk that were,
5 of course, introduced in 1929 from an original group of
6 eight animals from the Hull River Valley in Washington as
7 well as looking at herd fidelity. Larry's work with radio-
8 collared elk which began in 1999 is already generating some
9 interesting information and I call your attention to the
10 dark green rectangles here which show the movement of a
11 radio-collared female in the Seal Bay herd, there's
12 actually eight separate herds on Afognak now, through the
13 winter months. Note that she remains in the heavily
14 timbered areas that include the timber reservations near
15 Paul and Laura's Lake. Larry believes that the mature
16 Sitka spruce are important in intercepting snow and tough
17 winters and providing for easier foraging and movement.
18 Elk security during hunting season is also heavily
19 dependent on timber.

20 While our interest in Afognak centered on
21 elk, we have come to appreciate the rich biologically
22 diversity of northern Afognak and its associated marine
23 environment. Borrowing heavily from information collected
24 for the EVOS program, I would like to briefly show you why
25 we think the protection of northern Afognak is so critical.

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1 This very busy slide depicts anadromous fish streams and
2 lake systems, marbled murrelet activity levels, harlequin
3 duck numbers, seabird colonies, bald eagle nest sites and
4 bear densities on northern and western Afognak. I will go
5 through each of the species or groups separately but please
6 note the concentration of symbols in the Perenosa Bay area.

7 This slide depicts anadromous stream and
8 lake systems on Afognak, nearly all of which remain
9 unprotected. The salmon species in these systems have
10 significant importance to commercial fishing, subsistence
11 fishing, sportfishing, bears, eagles and marine mammals.
12 Perenosa Bay has several anadromous streams including the
13 Paul and Laura Lake system that has been partially
14 protected. Six species of birds injured by the oil spill
15 use northern Afognak and the protected offshore waters for
16 all or parts of their lifecycle. These species are the
17 marbled murrelet, pigeon guillemot, black oystercatcher,
18 harlequin duck, bald eagle and the common murre. This
19 slide depicts harlequin duck numbers, which are the
20 circles, marbled murrelet activity levels which are the
21 squares, bald eagle nests which are triangles and seabird
22 colony locations. Once again, note the importance of the
23 Perenosa Bay area for these species. This slide depicts
24 locations of bald eagle nests and as you can see, once
25 again, Perenosa Bay is very important for bald eagle

00071

1 nesting. Harlequin ducks breed, molt and winter on or
2 around Afognak. Their breeding is typically tied to
3 anadromous fish streams associated with mature forests.
4 Harlequin ducks are one of the species injured by the oil
5 spill that have not yet recovered. And once, again,
6 Perenosa Bay supports numbers of these rare and beautiful
7 ducks and will be important to their recovery. Marbled
8 murrelets were heavily impacted by the oil spill and
9 northern Afognak mature Sitka spruce forest provides
10 excellent breeding habitat for the murrelets. Note the
11 high activity associated with Perenosa Bay including along
12 the peninsula north of Paul's Lake that is part of the
13 timber reservation. Seabird colonies were severely injured
14 by the oil spill. The northern Afognak coast provides
15 habitat for colonies of cormorants, puffin, guillemots and
16 auklets. Once, again, Perenosa provides important habitat
17 for seabird colonies.

18 Brown bear habitat is good in the Perenosa
19 area with bear densities of one bear to three to four
20 square miles. Once gain, this slide depicts the importance
21 of Perenosa to the array of marine and terrestrial species
22 that we have discussed.

23 As we became more familiar with the area
24 and its resources, we have initiated an effort to acquire a
25 20-acre inholding on the southern portion of Shuyak Island

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1 in Shuyak Strait. This site, known as the Port William
2 site is a former cannery and we have recently received a
3 grant from the National Fish and Wildlife Foundation to
4 initiate this project. We see this as a great opportunity
5 for creating a site for the management of these important
6 resources on Shuyak and Afognak.

7 Northern Afognak and Perenos Bay provide a
8 variety of terrestrial and marine habitat that support a
9 rich diversity of species, many of which were injured by
10 the oil spill. Acquiring these lands for the public rather
11 than their being logged, subdivided and piece-mealed would
12 link the lands to the east and west that you have already
13 acquired and complete the protection of the remarkable
14 north coast of Afognak Island.

15 I will now turn things over to Glen
16 Williams of the American Land Conservancy to continue our
17 story.

18 MR. WILLIAMS: Good morning. My name is
19 Glen Williams. I'm vice president of the American Land
20 Conservancy and I thank you for this opportunity to address
21 the Council. The American Land Conservancy or ALC is a
22 national non-profit land conservation organization whose
23 mission is the protection of our nations land and water
24 resources as enduring resources for the benefit of this
25 generation and generations to come. Often characterized as

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1 a third-party facilitator, ALC works on a broad range of
2 projects across the country with private landowners and
3 local State or Federal public agencies to facilitate the
4 conveyance of land into the public trust.

5 Assembling the support and the funding to
6 acquire lands in Perenos Bay, thus completing Afognak
7 Island State Park will certainly prove to be a complex and
8 difficult undertaking and it precisely the kind of project
9 that our board would like to see us complete. Consolidation
10 of Afognak Island State Park into one integral unit
11 stretching from Tonki Cape to Blue Fox Bay including all of
12 Shuyak Island and with the refuge land to the west, that
13 integral unit stretches all the way to Paramanoff Bay, and
14 that is truly an enduring resource.

15 I'm going to talk really briefly about some
16 of the land and its status in Waterfall Bay, Delphin Point,
17 Discoverer Bay or the Paul's and Laura's Lake area.
18 Afognak Island State Park, including Shuyak Island and
19 together with the Red Peak Unit of the Kodiak National
20 Wildlife Refuge creates a vast landscape of critical
21 habitat for EVOS injured species as well as EVOS injured
22 services such as recreation, tourism and cultural
23 resources. With more than a hundred miles of indented
24 coastline, it's a brilliant investment to protect EVOS
25 injured resources for long-term regeneration in the spill

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1 region. There's one notable exception to this otherwise
2 unbroken integral unit and that's of the AJV land and
3 timber reservation in Perenos Bay. The ownership showed
4 in red represents land owned in fee by the Afognak Joint
5 Venture and the green swaths in the latest edition to
6 Afognak Island State Park represent the timber reservation
7 that the AJV retained in the sale. The AJV partnership was
8 formed in conjunction with ANCSA land selections and worked
9 as a pooling agreement to facilitate timber harvest by nine
10 separate Native Corporations. As many people are already
11 aware, the AJV is in the midst of dissolution and the land
12 is in the process of being conveyed back to individual
13 Native Corporation ownership. The smaller Native
14 Corporations or unlisted as they're referred to within AJV
15 can make land selections prior to dissolution that would
16 account for almost all the land in the Waterfall Bay area
17 as well as a large portion of the Delphin Point area. LAC,
18 the Bear Trust and the Elk Foundation have been working for
19 about two years to create a window of opportunity for
20 protection of the area's resources in advance of this
21 massive land fragmentation. Land fragmentation really has
22 not occurred on the scale that it perhaps could have in
23 this area because of the relatively strong timber market in
24 the mid-1990s. Northern Afognak Island and Perenos Bay,
25 in particular, appear to be the genesis site where Sitka

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1 spruce began on the Kodiak Archipelago, and these are some
2 of the oldest, densest stands on the island. Which, as
3 Jerry indicated earlier, harbor some of the most productive
4 habitat for EVOS injured species in the entire spill
5 region. This view is of Paul's Lake with half the AJV
6 timber reservation to the right. This map shows timber
7 density in the same area. Dark green is the densest and
8 best timber. The timber reservation is owned by the AJV
9 and will be harvested within the next 12 years. There is
10 no circumstance I can imagine that this timber will not be
11 harvested. It's a reservation that's owned, not a fee
12 interest in the land. Native Corporation leaders have a
13 fiduciary responsibility to their shareholders to harvest
14 this timber, even at depressed harvest, like we have
15 currently. Without acquisition of the timber preserve,
16 degradation of EVOS injured species and services is
17 inevitable. After harvest the landscape will have been
18 significantly transformed. Perhaps the condition of the
19 timber market has been working in our favor. This chart
20 illustrates year-end price indexes for export logs from the
21 Pacific Northwest showing a general trend of both
22 economically challenged Asian economies and perhaps the
23 first effects of the Russian timber market increasing its
24 supply into the global timber market. These influences,
25 along with new lamination technologies could have dire

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1 long-term effects on Afognak's Sitka spruce timber market.
2 And one might assume from this perspective that the timber
3 resources are therefore protected, in fact, from this poor
4 timber economy. However, the harvest continues on Afognak
5 despite poor timber market values as evidenced by this
6 photo taken in June of this year.

7 Another possibility is increased demand for
8 dividend performance. As timber harvesting goes down and
9 the economic benefits go down, there could be significantly
10 greater demand put on the corporations to increase
11 harvesting.

12 The Alaska Forest Practice Act requires
13 timber companies to remove roads and culverts and to reseed
14 clear-cuts if natural regrowth doesn't take hold. It could
15 cost millions of dollars to ultimately remove Afognak's
16 thousand mile road system which could further stress
17 landowners already facing diminished timber income and
18 further hamper reseeded and/or regeneration. It could
19 take generations for this landscape to regenerate again and
20 become as productive habitat as it is now in propagating
21 EVOS injured species and services. This is a view of
22 Paul's and Laura's Lake area, and the timber reservation
23 pre-timber harvest.

24 But perhaps the most significant threat,
25 from our perspective to this virtual inholding within

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1 Afognak Island State Park is fragmentation of these large
2 blocks of land. In fact, timber harvesting may have worked
3 to keep some significant large blocks in the same ownership
4 to affect and better expedite timber harvesting. Timber
5 harvesting and the sale of timber rights has been a
6 centerpiece for many of the Afognak Native Corporation's
7 economic plan and, overall, has enabled a greater degree of
8 Native Corporation self-sufficiency. And the one concern
9 we have is that a long down-turn in the Afognak timber
10 market could leave many of the smaller AJV members with
11 little choice but subdivision of these lands situated as
12 they are, surrounded by public land, with great fish and
13 game potential. We support, completely, a management
14 scenario that involves hunting, fishing and other
15 commercial activities. But, the potential for 200 or more
16 separate ownerships in the middle of Afognak Island State
17 Park would severely undermine the more than \$150 million
18 program this Council has accomplished in creating the
19 Afognak Island State Park.

20 We're in the process now of executing final
21 form of option agreements with many of the landowners in
22 Perenosa Bay and look forward to keeping this Council
23 updated. And maybe we can wrap it up real quick with Tim.

24 MR. RICHARDSON: Right. That concludes the
25 presentation. We have done outreach to the Governor's

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1 office, the State Parks Director and other influential
2 people who have an interest in this including the Kodiak
3 Archipelago Bear Management and Conservation Plan, recently
4 completed in Kodiak, over the last spring, that ADF&G
5 completed with multiple stakeholders from commercial
6 fishing to tour guide operators and float plane, the
7 Chamber of Commerce. It was complete unanimously in Kodiak
8 to complete the Afognak Island State Park, both Senator
9 Alan Osterman and State Representative Gary Stevens from
10 Kodiak have supported the project. So we're finding
11 unanimous support for the idea. We'd like to ask the
12 Council for your blessing, really, to get six champions to
13 allow us to go forward to the outside foundation world with
14 your endorsement and commitment to put together a
15 compelling leveraged acquisition package. Of course, we
16 all wish that the days of the old EVOS large parcel program
17 were still around, but I believe that this individual
18 project is an interesting project for you to consider and
19 to complete your Afognak Island legacy.

20 CHAIRMAN TILLERY: Thank you, Tim.
21 Questions. Mr. Rue.

22 MR. RUE: Thank you for the presentation,
23 that was really good. What sort of commitments have you
24 gotten from the landowner -- actually I have a bunch of
25 questions and how big is the package in terms of dollars

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1 and what would you expect from the Council, up front, in
2 terms of the dollar commitment.

3 MR. RICHARDSON: Well, we've got willing
4 sellers with all the landowners in the AJV. Afognak could
5 be an exception after the dissolution and the distribution
6 of the lands, Afognak Native Corporation would not likely
7 be in a fee simple purchase phrase but, instead, would
8 consider conservation easements. The dollar figures are a
9 sensitive topic and not one that I'm prepared to cite. I
10 mean I think you could take a look at what the acquisitions
11 you've already done and make a -- this is very similar
12 habitat. You've got a combination of thick old-growth
13 forest and cut overlands and some uplands, a small amount
14 of uplands, so a blend of those habitats would affect the
15 market price as well as coastal inholding subdivision
16 opportunities that appraisers would look at. But we're not
17 really in the appraisal business and would leave that to
18 negotiations between the landowner and the Council.

19 CHAIRMAN TILLERY: Mr. Rue, just a second,
20 before you do that, I guess is there anyone still on line?

21 (No audible response)

22 CHAIRMAN TILLERY: Is there anyone out
23 there at all?

24 SEWARD: Yes.

25 CHAIRMAN TILLERY: Okay, is this from

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1 Seward?

2 SEWARD: Yes.

3 CHAIRMAN TILLERY: Okay. Again, we're
4 moving this phone around a lot so we apologize if you're
5 going to miss part of the presentation here and there.

6 SEWARD: It's been fine so far.

7 MS. McCAMMON: Yeah, but we're moving it
8 around a lot. And Paula, are you on just for a specific
9 item?

10 SEWARD: I'm just listening in.

11 (Off record comments)

12 CHAIRMAN TILLERY: Okay, I'm sorry, go
13 ahead, Mr. Rue.

14 MR. RUE: Okay, I guess the other question
15 I had is what the other partners have committed to so far
16 as well in terms of funding, the Rocky Mountain Elk
17 Foundation, the Land Trust, Bear Trust, is that.....

18 MR. RICHARDSON: ALC.

19 MR. RUE: Yeah.

20 MR. RICHARDSON: We have gone out and
21 secured a grant, a sizeable grant to operate a proposal --
22 to put together a proposal and that includes visitations to
23 Afognak Island, which we'd like to invite every member of
24 the Council to come, this September, during the Labor Day
25 weekend, and just shortly after, shortly after, the kids

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1 will be in school, and it takes option payments in the tens
2 of thousands of dollars and we have those funds. It takes
3 production material, travel costs, and we've got a grant
4 that can cover that situation to get a deal in front of the
5 Council and to allow us to go seek major commitments in the
6 multi-million dollar range that would be needed to be
7 leveraged to you and we've gotten foundations to say
8 they're very interested in being partners with you on the
9 scale of dollars that we all know are required. Do we have
10 enough? No. But I think your blessing and your support
11 would allow us to continue that, to make a high priority
12 case for this island with in conservation across the United
13 States, certainly in the spill region we know how valuable
14 it is. It scored number 1 in the general area for
15 biological benefit but it also ranks extremely high when
16 you look at the conservation opportunities across the
17 country.

18 CHAIRMAN TILLERY: Other Council members.
19 You keep using the words blessing and support, and I'm not
20 sure what you want in terms of blessing, but I'm guessing
21 that support means money. You've been following this
22 Council long enough to know that pretty much the habitat
23 money and all the money has pretty much been earmarked and
24 this is not one of the areas that's been earmarked. So I
25 guess could you be a little more specific about what you

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1 mean by a blessing and what you mean by support?

2 MR. RICHARDSON: Well, we would be seeking
3 dollars from the Council, either through the program you
4 have established for the small parcel program or to bring
5 you such an attractive highly leveraged multi-million
6 dollar proposal that you would consider your past decisions
7 on the remaining dollars. We could do a multi-year, multi-
8 phased approach and we think that when you look at the
9 habitat values of this region, this specific block with
10 other competing proposals, even in the program that you'd
11 find this to be a highly competitive of, both, resource-
12 wise and dollar-wise. We realize we've got a high hill to
13 climb and we're going to have to be in multiples of your
14 available dollars. But we've also talked to landowners
15 about their willingness to do multi-year installment sales,
16 and they're, in some cases, preferring that approach than a
17 lump-sum buy-out.

18 CHAIRMAN TILLERY: In the absence of
19 dollars, is there something about the Council -- you said
20 the Council's blessing or endorsement, is that something
21 that would be of benefit?

22 MR. RICHARDSON: Yes, it would.

23 MR. WILLIAMS: From a fundraising
24 standpoint. I think a lot of private foundation funder are
25 going to look to this Council and your experience for

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1 guidance and evaluating this kind of a multi-million dollar
2 undertaking.

3 CHAIRMAN TILLERY: So something in the form
4 of a resolution of the Council noting the benefits for
5 restoration, so, again, I think that's not something we're
6 prepared to discuss today but, Molly, you can perhaps talk
7 about that later.

8 MS. McCAMMON: Uh-huh.

9 CHAIRMAN TILLERY: I have one more
10 question, if you can, you mentioned Port Williams cannery,
11 the old Port Williams site. A number of discussions with
12 Alaska State Parks over the last four or five years about
13 that site, thinking that it would make an almost ideal
14 location for State parks because they could deal with both
15 Shuyak and Afognak, go east or west, depending on the
16 winds. Are you talking with State Parks?

17 MR. WELLS: Yes, we are. In fact, that was
18 the genesis of our interest in the site, and based on our
19 discussions with State Parks, we were able to secure a
20 grant from the National Fish and Wildlife Foundation and we
21 are in the process of negotiating talking to the landowner
22 in doing a Phase I to look at the potential hazardous
23 material associated with any old cannery. So, yes,
24 definitely that was the intent. It does provide, I think,
25 some amenities that would lend itself to management, not

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1 just for the State Parks but perhaps for people involved in
2 managing marine mammals, et cetera.

3 CHAIRMAN TILLERY: Okay. And have you had
4 some interest, I take it, then from the landowner, he seems
5 to have come and gone in the past with his level of
6 interest?

7 MR. WELLS: We are still talking to the
8 landowner.

9 CHAIRMAN TILLERY: Other questions. Mr.
10 Balsiger.

11 MR. BALSIGER: One final question, thank
12 you. You mentioned a grant, and I know some came from the
13 National Fish and Wildlife Foundation, but is that the sole
14 source of grants for putting this project together?

15 MR. WILLIAMS: No. We have another grant
16 from a private foundation that was for about \$200,000 to
17 try to put together a multi-million dollar program to
18 consolidate Afognak Island State Park.

19 MR. BALSIGER: Thank you.

20 MR. WELLS: Then to come back, that same
21 organization with the actual acquisition opportunity for a
22 significant.....

23 MR. RICHARDSON: There was some interest
24 also on a separate matter that your Kodiak office would be
25 interested in having a field camp at the cannery site as

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1 well, with State Parks being the basic tenant.

2 CHAIRMAN TILLERY: Mr. Rue.

3 MR. RUE: Thanks, Craig. It looked like
4 you asked Molly to perhaps put together a draft resolution
5 for a future meeting, is that something you were
6 contemplating?

7 CHAIRMAN TILLERY: I guess what I was sort
8 of noticing is that this is something that people should
9 think about and perhaps she could put something together
10 that would stimulate some discussion among the Council
11 members for purposes of a future meeting.

12 MR. RUE: If we decide to do that I guess
13 I'd like her to also brief -- you know, bring forward the
14 summary of what some of the costs were just to remind us
15 and perhaps what the trade-offs might be, assuming what
16 we've seen in the past for costs so we'd have a sense of
17 realism, reality when we look at that.

18 MS. McCAMMON: The costs for the land?

19 MR. RUE: Yeah, some of the.....

20 MS. McCAMMON: Just a rough -- yeah.

21 MR. RUE:our previous experiences,
22 how much did all this cost; I just don't remember the
23 details, some of the negotiations, for the final purchase
24 prices.

25 CHAIRMAN TILLERY: Very large.

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1 MR. RUE: I know. Well, I knew it was
2 large.

3 MS. McCAMMON: As I think I said once, the
4 trees that are within this easement are, you know, the
5 diamond-studded trees, so they're the most valuable tree,
6 although timber prices are down.

7 MR. WILLIAMS: And also that enable us to
8 go out and secure a lot of private foundation interest is
9 for those diamond-studded trees.

10 MR. RUE: I appreciate the effort. I mean,
11 we spend a lot of time pushing on this as well, so -- but I
12 just don't know where we'll go.

13 CHAIRMAN TILLERY: Right. Well, I was
14 thinking more in terms of the resolution of support
15 concept. Mr. Gibbons.

16 MR. GIBBONS: Mr. Chairman, yeah, we've
17 spent a lot of money, I think, what did I hear, 155
18 million, in that area, and we've done habitat analysis in
19 the area and we know it's very critical so I'd be
20 interested in looking at a resolution also in support of
21 protection of that area and costs associated with that.

22 CHAIRMAN TILLERY: Further questions.
23 Comments. Thank you very much gentlemen, it was very much
24 appreciated.

25 MR. WILLIAMS: Thank you.

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1 MR. RICHARDSON: Thank you.

2 MR. WELLS: Thank you.

3 CHAIRMAN TILLERY: That brings us to the
4 lingering oil status report. Okay, we'll take about a
5 three minute break then, or five minute break.

6 (Off record - 11:04 a.m.)

7 (On record - 11:17 a.m.)

8 CHAIRMAN TILLERY: I'll reconvene the Exxon
9 Valdez Oil Spill Trustee Council at this time and the
10 agenda item at this point is for the lingering oil status
11 report. Jeff, can you take us through it?

12 MR. SHORT: I'd be happy to. This is
13 Project 01-543 funded this summer for evaluating how much
14 oil remains in Prince William Sound. The project cost is
15 about a little over a half a million dollars. And this was
16 authorized to address the issue of remaining oil and how
17 much of it there was because there's wildly varying public
18 assessments based on anecdotal information as to how much
19 is out there, anywhere ranging from the oil industry's
20 assurances, through their contractors of less than a
21 basketball court, to widely extensive pollution. So we
22 wanted to try and provide a quantitative answer to how much
23 remains at this time. In addition another motivating issue
24 is ongoing biochemical evidence of injury to sea otters and
25 harlequin ducks that had gone on through the mid-90s, at

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1 least. And since there is very inter-tidally dependent
2 species we were wondering how they could be showing this
3 kind of exposure.

4 So the approach we took, in order to keep
5 the price tag down to a half million dollars, was to adopt
6 a stratified random adaptive sampling. And there are two
7 levels of stratification in the project in a statistical
8 sense. The first one is stratifying with respect to which
9 beaches were sampled? We had four categories, three of
10 which are approached quantitatively. The first one is
11 heavily oiled beaches, beaches that have remained heavily
12 oiled through 1990 to 1993 on the basis of the previous
13 shoreline assessment projects during those years and there
14 were 24 kilometers of beach in that category. And in this
15 project we're going to sample five of those kilometers so
16 most of our sampling effort is directed to where we thought
17 most of the oil would be. The second category is
18 moderately oiled beaches described during that period and
19 there is 46 kilometers of beach that were described that
20 way in 1990 through 1993. We'll be looking at two
21 kilometers of that. And then a third category is beaches
22 that were described as heavily oiled in 1989 but were not
23 heavily oiled thereafter. There's another 43 kilometers
24 there and we're only going to look at a half a kilometer
25 there discounting this category because of the failure to

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1 find surface evidence of oil in 1990 to 1993. But we still
2 wanted to sample there because we expect that much of the
3 oil, if not most, is going to be subsurface. And so a
4 primary challenge of this project is to cope with trying to
5 sample oil that you can't readily see by just walking
6 around. The fourth category is publicly identified beaches
7 and we're going to go to several of those because people
8 have convinced us and are convinced that oil remains there
9 as well, and they are of some special interest to various
10 different groups.

11 So through the stratification, the first
12 thing we did was randomly select beaches from each of those
13 categories and we took the total length of each category,
14 chopped it up in hundred meter segments and then drew them
15 out of a hat. And these red dots on the map show where all
16 those selections occurred, and there's 96 of them and we're
17 going to visit those this summer. The second sense of
18 stratification has to do with where we sample in the inter-
19 tidal. Our total band is from 1.8 meter tidal elevation to
20 4.6 meters and we sample that in half meter intervals and
21 each half meter interval is treated as an independent
22 stratus. So we'll get how much oil there is with respect
23 to tidal height as well in this program. When we approach
24 a beach that has a hundred meter interval on it that we've
25 selected at random, we break it into eight 12 and a half

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1 meter segments and then we sample each of the vertical
2 drops within that segment with two randomly placed pits,
3 giving us a total of 96 random pits throughout the block.
4 Then I said it was a stratified random adaptive sample, the
5 last part of that is adaptive sample if any of these pits
6 encounters an oil patch, we then try to find out how big
7 the patch is through additional pit digging or additional
8 surveys. And by knowing the size of oil patches that are
9 encountered, the probability of encountering a patch by
10 this random approach, we can then generate an extrapolation
11 to how much of the Sound remains oiled within those
12 categories that I showed you initially.

13 Just real quickly, how we do this
14 operationally on the beach, the key to the whole thing is
15 that instrument right there, it's a laser plane, we
16 identify where the zero tide height is with respect to the
17 sea when we get there and then this thing shoots out an IR
18 beam that establishes a reference level and then we can go
19 anywhere on the beach and know how far down we are from
20 that. Then we'll lay out a transect along the beach, this
21 is the 100 meter transect, this is the 12 and a half meter
22 blocks in here and then dig a bunch of randomly placed pits
23 once we get there. Sometimes this isn't a lot of fun and
24 sometimes it's almost horrible. They put you in a place
25 like this and you still have to go dig there. So it's an

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1 awful lot of work.

2 Now, I'm going to run you through the
3 oiling classification categories that we use very quickly
4 just to give you a sense of how to interpret the results
5 that I'll be showing you that we've gathered so far. I
6 neglected to point out on the previous slide, we're about
7 three-fourths -- we are exactly three-fourths of the way
8 through the data gathering part of the project and we're a
9 little bit more than three-fourths of the way through on
10 the sampling that we need to do, so we're a slight bit
11 ahead of schedule. We've got one more sampling trip that
12 just went in the field on Saturday and we'll be done on
13 September 2nd, and then we'll get to the number crunching.

14 On the surface here, this is an example of
15 surface asphalt, all these pictures are from this summer.
16 This is pebbles that are all glued together by Exxon Valdez
17 oil. Typically this is an inch to an inch and a half thick
18 and the inside remains typically fairly liquid. It's a
19 viscous kind of gooey consistency. This is what we call a
20 tar ball stuck to the rocks. This is probably, almost
21 certainly not from the Exxon Valdez oil spill, it's from
22 the earthquake in 1964 which was the first oil spill in
23 Prince William Sound. And it occurred to us after
24 proposing this study that we can use exactly the same
25 sampling design to compare the quantitative impact to both

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1 of those spills at this time, and we'll be doing that as
2 well. Two other surface classifications that we find, this
3 doesn't show up as well as I'd like, this is mousse right
4 here stuck on a rock and in this area right here and then
5 this is an oil-coated rock and it's a little bit blacker --
6 brownish-black, but it doesn't show up that well. And then
7 there still remains some places where surface oil weeps
8 into the inter-tidal, just naturally, these are from Smith
9 Island.

10 Possibly more interesting results come from
11 the subsurface sampling that we've done. We have four
12 categories there, one is called an oil film where we'll dig
13 a pit and we'll see these interspersed sheens that occur.
14 The next step up is a light oil residue where, instead of a
15 sheen, now you've got discreet oil droplets that appear on
16 the surface of the water in there. This is an example of
17 moderate oil residue or MOR. It gives a continuous sheen.
18 You can see the oil stratum in the pit right there, that
19 glossy business all the way up to there and down to there
20 is all contributing oil to that, to the water at the bottom
21 and then this is HOR, heavy oil residue. HOR, the
22 difference between that and MOR is the oil actually flows
23 off the rocks when you dig a pit, so it's -- there's more
24 oil than rock.

25 We're going to do this study quantitatively

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1 in two senses. One will be to figure out how much area of
2 beach is contaminated. Another one is to try and figure
3 out approximately how much volume of oil remains. To get
4 at the volume of oil remaining issue we do gravimetric
5 sampling within each of those categories I just defined for
6 you. And that means that, in representative pits we'll
7 excavate the entire contents of the pit that we did. Each
8 pit is a half meter by a half meter of surface area and a
9 half a meter deep at least, and we'll excavate all that and
10 weigh the contents of what we get out of that and then
11 homogenize it and subsample this for analysis in a chem lab
12 where we'll actually physically extract all the oil and
13 weigh it and that will give us a basis for relaying our
14 descriptions for oil intensity within each of the
15 categories to a distribution of quantitative results within
16 each category and then we can crank that through some
17 statistics and come out with a number of barrels. It will
18 have a wide confidence interval but it will, at least, give
19 us an idea of what order of magnitude or so we're in.

20 We're also collecting chemistry samples of
21 sediments and of mussels. The sediments is to make sure
22 that we're, in fact, dealing with Exxon Valdez oil or with
23 earthquake oil and not with some other artifact that might
24 be out there which we haven't encountered yet. And the
25 mussels is to get an advance jump on bio-availability

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1 because we've encountered so much that we realized early on
2 that bio-availability would likely be an issue. So we've
3 finished 69 beaches so far and that means that we've
4 surveyed 5.8 kilometers of beach, we've excavated 5,200
5 pits. Of these 69 beaches, oil was found -- Exxon Valdez
6 oil was found somewhere on the surface at 46 of them. And
7 subsurface oil was found somewhere on those beaches on 37
8 of those 69. The total number of oiled pits that we've
9 encountered is 522 and of those 197 or about one-third are
10 surface oil and about two-thirds are subsurface. Within
11 the 325 subsurface oiled pits, 35 just had oil films, 207
12 were the low oil residue, 66 were the medium oil residue
13 and 17 were the high. So highly oiled, subsurface oil is
14 comparatively rare when we find it, most of it's the low
15 oil residue.

16 I've done a very preliminary extrapolation
17 as to what we would likely conclude if we ended the study
18 right now. As I mentioned, there are 24 kilometers in this
19 strata of beaches that were heavily oiled 1990 through
20 1993. Of that we've sampled 3.7 kilometers, within that
21 3.7 kilometers, seven and a quarter percent of the pits
22 that we dug placed at random contained oil. That implies,
23 if you run the extrapolation of this percentage on that
24 number of kilometers, that the total out there in the Sound
25 would be about 1.7 kilometers or about a mile of beach that

00095

1 remains oiled this summer. Going through the same exercise
2 for moderately oiled beaches, we get 2.6 kilometers of
3 oiled beach, within that stratum, about a third of a
4 kilometer within that stratum for a total of 4.68. Again,
5 I don't have an interval estimate, just a point estimate
6 and I'll have a more definitive point estimate when we're
7 done with the study. But this just gives you an advance
8 idea of what order of magnitude we're in. This corresponds
9 to about 20 acres if you were to convert it to an area.

10 So in conclusion, we found quite a bit more
11 oil than we expected. We designed the study around a one
12 percent encounter rate and we were wondering if we would
13 even find that doing one of these randomized approaches,
14 you always -- the trouble with them is you always randomize
15 the things and the plots always end up someplace where you
16 know the thing you're looking for isn't, well, we didn't
17 have that problem at all. In fact, we encountered oil so
18 frequently that we probably didn't even need the adaptive
19 part of this study but will be interesting to compare the
20 confidence intervals that result from both approaches, the
21 simple random sample compared with the simple random
22 adaptive sample.

23 A big surprise of the study has been the
24 frequency with which we have found oil in the lower inter-
25 tidal zone. In 14 of the 37 beaches that had subsurface

00096

1 oil, oil patches extended significantly below our oiling
2 grid. And this was something that we were assured would
3 not happen by the experts who know about how oil moves on
4 beaches and what not, so it's a very surprising finding.
5 In every case but one, we've been able to see how low in
6 the inter-tidal it goes and it does not appear to go below
7 zero meter tide height, between the tidal datum so it
8 doesn't appear to extend into the sub-tidal. The one
9 exception was a place where we were trying to make that
10 determination the tide came up on us and chased us off the
11 beach and we had other things to do later in the day.

12 Some future questions now that we're pretty
13 interested in pursuing are, how did the oil get into the
14 lower inter-tidal? Was it there all along and nobody
15 sampled there very much and so they just missed it? Or did
16 it migrate there from the upper inter-tidal somehow and
17 that would be of great scientific interest? More to the
18 point, probably, is whether or not the remaining oil is
19 biologically available? Is it continuing to affect
20 resources on these oiled beaches and if they are, what are
21 the long-term impacts? And those are issues we'd like to
22 pursue in the future.

23 I'll end it there and open for questions.

24 CHAIRMAN TILLERY: Okay, thank you.

25 Council members, questions. Commissioner Rue.

00097

1 MR. RUE: I had a question about -- I'm
2 sure these numbers will be picked apart and sliced and
3 diced, but as I recall, beaches weren't evenly oiled in the
4 beginning and so when we say X-kilometers of beach were
5 oiled, I have the image of it originally all being oiled
6 and now only a patch of it, whereas in the original event
7 it may have only been patchily oiled. Did the '89 and '90
8 descriptions of the extent of oiling discuss a percentage
9 of the beach was oiled? So you'd have a more accurate
10 perhaps comparison, or don't you worry about that?

11 MR. SHORT: We basically don't worry about
12 that. There are descriptions from the Shoreline Assessment
13 -- at that time it was the Shoreline Cleanup Assessment
14 teams that walked all of the beaches and they made
15 estimates of what proportion of the beach was oiled and we
16 could go back to that and make comparisons, and part of the
17 project will do that. In fact, another part of the project
18 that I haven't briefed you on is an important part of it
19 is, focused on determining the rate of decline of oil
20 within those beaches and they'll be foc -- the other PI is
21 James Gibeaut at University of Texas, will be focusing very
22 heavily on that issue. So I guess I would dodge that and
23 refer you to him for a more detailed answer.

24 MR. RUE: No, that's fine.

25 CHAIRMAN TILLERY: Mr. Balsiger.

00098

1 MR. BALSIGER: Thank you, Mr. Chairman.

2 This may be the same question, but it looked like only
3 about 110 miles -- actually I thought the first slide said
4 miles but it's kilometers?

5 MR. SHORT: It should have said kilometers.

6 MR. BALSIGER: 110 kilometers of beach were
7 in the three categories you looked at and out of thousands
8 of miles of beach, only 110 kilometers in the categories
9 were moderately or heavily oiled?

10 MR. SHORT: Within 1990 through 1993. This
11 is not their status immediately after impact.

12 MR. BALSIGER: Okay. I think maybe that's
13 the same question the Commissioner was getting at, is what
14 the fraction of the total was represented by the 110
15 kilometers.

16 MR. SHORT: That's where the most
17 persistent oil was.

18 MR. BALSIGER: Okay.

19 MR. SHORT: And those numbers are heavily
20 biased toward the previous -- the most recent shoreline
21 assessment of 1993.

22 MR. BALSIGER: Thank you.

23 CHAIRMAN TILLERY: Ms. See.

24 MS. SEE: Yeah, thank you, Jeff, for this
25 presentation. I recognize you're still in process in this

00099

1 study and there'll be more information later, but could you
2 comment on the nature of the oil that you're finding in the
3 subsurface? Is it weathered, is it unweathered? What are
4 you finding?

5 MR. SHORT: It's not very weathered. It's
6 in a very similar chemical state that it was in 1989, in
7 the summer of 1989. It's still quite fluid, contains lots
8 of polycyclic aromatic hydrocarbons, even the less
9 substituted ones and the ones with fewer rings. It's still
10 -- the chemical fingerprint of it is identical with what it
11 was in the late summer of 1989, commonly throughout the
12 spill region. So it's not changed -- that implies that
13 it's not changing very fast at all, compositionally.

14 MS. SEE: Thanks.

15 MR. RUE: Jeff, you've gotten enough of the
16 samples back from the lab to see that?

17 MR. SHORT: Actually at this point I've
18 analyzed so many samples and I've looked at so many
19 samples, I can just look at it and tell you what it's
20 composition is likely to be. But, yes, we do have samples
21 to back that up, selected ones.

22 CHAIRMAN TILLERY: Questions. Further
23 questions. Okay, thank you, Jeff, appreciate it very much.

24 MR. SHORT: Uh-huh.

25 CHAIRMAN TILLERY: That brings us to GEM.

00100

1 Ms. McCammon, I'm guessing.....

2 MS. McCAMMON: Yes.

3 CHAIRMAN TILLERY: Just before we start
4 that, I'm not sure what that last beep on the phone line
5 meant. Is anyone still on line?

6 (No audible response)

7 CHAIRMAN TILLERY: Paula, are you there?

8 (No audible response)

9 CHAIRMAN TILLERY: Is anyone else on line?

10 (No audible response)

11 CHAIRMAN TILLERY: Should we.....

12 MS. McCAMMON: Paula went to lunch.

13 CHAIRMAN TILLERY:hang up or can

14 people join us?

15 MS. McCAMMON: They can join us at any time

16 so we might just want to keep the line open.

17 CHAIRMAN TILLERY: Okay.

18 MS. McCAMMON: Okay. In your packet is a
19 lot of trees in there, with the latest draft of the GEM
20 document. We've been working on this for the last year and
21 a half. We put a draft out on the web and out for public
22 comment in June and had two review sessions recently, one
23 with the Public Advisory Group, one with the Trustee Agency
24 liaisons. The response, I think, overall, was very
25 favorable. There was some concern about the way the

00101

1 document was organized and it's readability and after some
2 discussion we basically ripped it apart and, literally, and
3 totally reorganized it and put it back together again, and
4 I think it reads better this way, I hope it does, and
5 emphasizes the key points. I think it provides, kind of,
6 better transition from the various sections. The public
7 comment we've received has really not been too much from
8 the public, it's been mainly from principal investigators,
9 other agency people have had comments on various sections
10 and most of those are things we can accommodate. We either
11 accommodate in this draft or are small things that can be
12 accommodated in the next version.

13 Once we kind of did the final ripping apart
14 and putting back together again, we all reviewed the
15 individual chapters but we didn't have the opportunity to
16 review the document as a whole once again. So I think
17 there is still a few problems with transition. We still
18 have some missing figures, so there are still some things
19 that need to be worked on that we intend to do in the next
20 two weeks. The schedule we have now and this is, if we are
21 to keep to this schedule, is for you to look at this, give
22 me any feedback, any suggested changes, give your
23 conceptual approval today. With that, we would do the
24 final changes in the next week to two weeks, get it off to
25 the printer to be copied and submit it to the National

00102

1 Research Council Review Committee by the 1st of September.
2 They have a review meeting scheduled for Seattle September
3 18th and 19th, their next meeting -- and EVOS staff have
4 been invited to that, to go through this document. Their
5 next meeting is in November, that is a closed meeting where
6 they intend to write the final -- start writing the final
7 draft of the report. Under that schedule, we would not
8 receive the final report -- they do a final report, it goes
9 out for peer review and then they do their final revisions,
10 so we would receive the final report, probably late
11 February or early March, and that's assuming we stay on
12 this schedule. If there are serious concerns today after
13 we go through it and you think it's still not there then I
14 would need to notify them right away so they can cancel the
15 September meeting and just push everything further along.
16 And they are aware that that is -- that we have that
17 potential. I'm hoping that we're close enough with this
18 document that we can have them start the review and if we
19 do need to make changes, we can do it just while their
20 review process is underway so we can keep to the schedule
21 we have now. But I did want to just emphasize that any
22 major changes in the document at this stage, we will -- it
23 will just backup the final review from the NRC.

24 I think that we were trying to discuss what
25 would be the easiest way to go through this and I think

00103

1 you've been through a review of the NRC's report from the
2 spring from February 2001, we've been through -- had a
3 number of discussions about mission and goals and what
4 would be most helpful for us is just to go through it,
5 chapter by chapter and get any -- well, first of all any,
6 kind of overview type comments from you, your overall
7 perception of it and then just chapter by chapter, not
8 wordsmithing-type comments, but any conceptual, any major
9 concerns, issues or comments on the individual chapters
10 that we need to incorporate into a final draft. Does that
11 sound reasonable?

12 MR. RUE: It sounds brutal.

13 MS. McCAMMON: You can make it easy and say
14 it looks great and we can move on.

15 MR. RUE: Well, you might want to ask that?

16 MS. McCAMMON: So ask.

17 CHAIRMAN TILLERY: Comments.

18 MR. BALSIGER: Mr. Chairman, I actually
19 don't have comments to deliver on chapter or basis, I know
20 it's going out for one more review so it's possible that
21 the other Trustees have given it a more thorough
22 examination and have some chapter by chapter ones, but from
23 my point of view, I don't.

24 MR. RUE: Nor do I. And I think it's ready
25 to go out for review so.....

00104

1 MR. BALSIGER: Well, if I could, I guess
2 it's not really going out for -- I guess it's going out for
3 review, but what it is is being put together again and
4 submitted to the National Research Council.

5 MS. McCAMMON: That's correct.

6 MR. BALSIGER: So we would have the
7 benefits of their comments on this particular version.

8 MS. McCAMMON: That's correct.

9 MR. BALSIGER: And I have nothing to add to
10 it prior to that submission.

11 MR. RUE: That's what I meant to say.

12 CHAIRMAN TILLERY: What then is -- after
13 that does it create -- if somebody comes in with an all of
14 a sudden, I don't like this structure or I don't like -- I
15 want more emphasis here, is there still opportunity?

16 MS. McCAMMON: Well, yeah. This is a
17 dynamic document that will be changing over time. We would
18 like kind of the general framework to be approved once we
19 get the final comments from the NRC. Originally, we had
20 hoped to have the final report this fall, like in November
21 or December before we do the next invitation and proposal
22 solicitation. We won't have that, the invitation would go
23 out in mid-February. But the kind of things that we've
24 laid out here in terms of for the next fiscal year, Fiscal
25 Year 2003 are census type activities that I think would be

00105

1 applicable to any kind of program that we would have and
2 wouldn't -- even if we ended up changing certain things, I
3 don't think we're heading down a road that we can't change
4 direction pretty quickly. They're kind of fundamental-type
5 research activities that would be essential for any kind of
6 effort.

7 CHAIRMAN TILLERY: But is the NRC, is that
8 going to be their final.....

9 MS. McCAMMON: Yes.

10 CHAIRMAN TILLERY:is this review
11 their final act?

12 MS. McCAMMON: Yes.

13 CHAIRMAN TILLERY: So if they make their --
14 are they giving us.....

15 MS. McCAMMON: They will give us a final
16 report and then the Trustee Council will look at that and
17 incorporate whatever recommendations in there into a
18 revised final document that you wish to incorporate.

19 CHAIRMAN TILLERY: Okay. And then they
20 don't come back and.....

21 MS. McCAMMON: No.

22 CHAIRMAN TILLERY:bless the.....

23 MS. McCAMMON: No.

24 CHAIRMAN TILLERY: Okay.

25 MS. McCAMMON: They are giving advice, they

00106

1 are not approval/disapproval.

2 CHAIRMAN TILLERY: Or blessing?

3 MS. McCAMMON: Yes.

4 CHAIRMAN TILLERY: Blessings are.....

5 MS. McCAMMON: Yes, no blessing.

6 CHAIRMAN TILLERY: We're doing a lot of
7 blessing today. Okay, in that context -- Ms. See.

8 MS. SEE: Yeah, I just had a question of
9 clarification in your summary memo, and it was very helpful
10 to see the items that were still being worked on on the
11 second page of that. But as you note here, final revisions
12 would be by the 15th. What would be the date as our agency
13 staff are continuing to look at this, that any comments
14 would have to come into you to meet this date?

15 MS. McCAMMON: To meet that date?

16 MS. SEE: Yeah.

17 MS. McCAMMON: Probably by Friday. I mean,
18 we need them right away in order to incorporate.

19 MS. SEE: Okay.

20 CHAIRMAN TILLERY: So what are you looking
21 for? I think the sense of the Council is no one wants to
22 go through this document page by page right now.

23 MS. McCAMMON: Has anyone read it?

24 MR. RUE: Every word of it, no.

25 MS. McCAMMON: Well, at least most of it?

00107

1 Some of it?

2 MR. BALSIGER: Well, I've turned every
3 page, I'll say that.

4 MS. McCAMMON: That's good. It's a
5 document.....

6 MS. SEE: I have.

7 MS. McCAMMON:it's a daunting
8 document and that's one of the reasons, we ended up with
9 Volume I, which we think is kind of the guts of the plan,
10 and Volume II, we didn't want to call it supporting
11 documents because it actually is really integral to the
12 overall program and plan, but a little less.....

13 CHAIRMAN TILLERY: Do you need a vote of
14 the Council or simply a sense of the Council that it's time
15 to move it on to the NRC?

16 MS. McCAMMON: Sense of the Council.

17 MR. RUE: That's my sense.

18 CHAIRMAN TILLERY: That's the sense I've
19 heard here. I think the sense of the Council is you should
20 send this to the NRC.

21 MS. McCAMMON: Sounds good.

22 MR. BALSIGER: Well, Mr. Chairman, then I
23 guess, the clarification was that these items, eight of
24 them, are what's being incorporated in this edition so.....

25 MS. McCAMMON: Correct.

00108

1 MR. BALSIGER:so those are all being
2 taken care of?

3 MS. McCAMMON: Correct. And if there's
4 anything additional that people give us by Friday.

5 CHAIRMAN TILLERY: By Friday.

6 MR. RUE: We have to vote on one of them,
7 right? It's a.....

8 MS. McCAMMON: Well.....

9 MR. RUE:or did you already do that
10 this morning?

11 MS. McCAMMON:again, these are policy
12 questions. They're for review, you're still not actually
13 making final approval on it.

14 MR. RUE: Right, I thought there was a
15 writing contract we had to approve.

16 MS. McCAMMON: You already did that.

17 MR. RUE: You did that, okay.

18 CHAIRMAN TILLERY: We did that.

19 MR. RUE: Okay. I mean, to me the proof of
20 the pudding would be when we start trying to use it to make
21 decisions because I think it's structured in a way that
22 could get us where we want to go but we'll find out if it's
23 useful, and, you know, choosing among these various
24 possibilities and setting priorities, but I think it lays
25 out the universe well of where we could go. The

00109

1 interesting thing will be how we get from that to picking
2 10 projects a year.

3 MS. McCAMMON: Yeah.

4 MR. RUE: And finding out if it's providing
5 useful guidance for us or not.

6 MS. McCAMMON: Right.

7 MR. RUE: I mean that's, I think, we'll
8 find out over time in trying to implement it and use it.
9 But to me, it's structured well, so I'm ready to see if we
10 can use it and get it going.

11 CHAIRMAN TILLERY: Okay. Anybody else have
12 comments about it?

13 (No audible response)

14 CHAIRMAN TILLERY: Okay, I think you have
15 what you need, I believe.

16 MS. McCAMMON: Can we do the work plan like
17 this, too? We could be done at lunch.

18 (Off record comments)

19 CHAIRMAN TILLERY: Okay, is that all for
20 this item?

21 MS. McCAMMON: Yes, that is it on that
22 item.

23 CHAIRMAN TILLERY: Okay. The next agenda
24 item then is executive session. It's almost 12:00 so this
25 is probably an appropriate time. How would you anticipate

00110

1 it, we could be back here by say, 1:00, would that be okay?

2 MS. McCAMMON: Yeah.

3 CHAIRMAN TILLERY: We need a motion to go
4 into executive session.

5 MR. GIBBONS: Move that we move into
6 executive session to discuss legal issues and possibly
7 habitat-related issues.

8 MS. SEE: Second.

9 CHAIRMAN TILLERY: Okay. It's been moved
10 and seconded. Anyone opposed?

11 (No opposing responses)

12 CHAIRMAN TILLERY: Hearing none, we're
13 going into executive session and should probably be back in
14 regular session about 1:00 o'clock.

15 MS. McCAMMON: Craig, could you specify who
16 you would like to have in executive session, who you would
17 like it limited to in terms of staff?

18 CHAIRMAN TILLERY: Council members and Alex
19 and Maria and.....

20 MS. McCAMMON: Dr. Spies?

21 CHAIRMAN TILLERY:and Dr. Spies, I
22 believe would be the appropriate people.

23 MS. McCAMMON: Okay.

24 (Off record - 11:50 a.m.)

25 (On record - 1:10 p.m.)

00111

1 CHAIRMAN TILLERY: We're back in session
2 for the August 6th Exxon Valdez Oil Spill Trustee Council
3 meeting. We were in executive session where we discussed
4 legal issues and habitat matters. Ms. McCammon, the next
5 item on the agenda is the FY-02 work plan, can you lead us
6 through that?

7 MS. McCAMMON: Yes. You have quite a bit
8 of material in your binder on the work plan and hopefully
9 it's the right material there. For FY-02, we received 106
10 proposals totaling a request of 10.3 million. Just to
11 compare to the year before we had received 114 proposals,
12 totaling 13.4 million. So fewer proposals and for less
13 total amount of funding. The recommendation is to fund or
14 further consider funding 62 projects totaling about 5.2
15 million. Of this, 18 projects totalling two million are
16 deferred. And our cap for the year is six and a half
17 million, combined, the one and a half million for the
18 administrative budget and then five million for the work
19 plan projects. So if all of the fund and fund contingent
20 and deferred projects were to be funded we would be over
21 that cap. So we are anticipating that something won't get
22 funded in December when you meet to take action on the
23 deferred projects.

24 There are also a number of other items that
25 are included in the final motion but are outside of that

00112

1 cap. One is the administrative science management and
2 public outreach budget, the 100 budget and that's one and a
3 half million. Another is Project 126, the habitat support
4 budget and that's \$161,800. And then there are the support
5 costs for the archeology project \$29,100. But those are
6 all considered in the -- as we go through the spreadsheet,
7 will be included in the final motion.

8 There are two spreadsheets. One is
9 Spreadsheet A, which is the numbers spreadsheet and the
10 recommendation spreadsheet. Spreadsheet B is the text
11 spreadsheet and has the text of the project abstract, the
12 chief scientist recommendation and the Executive Director's
13 recommendation.

14 As most of you know the process that we
15 went through is the same as it has been in years past where
16 we have -- the invitation goes out February 15th, proposals
17 are due April 15th. We have a very intensive review
18 session in April and May culminating in a four day marathon
19 review session. Our core reviewers develop the initial
20 recommendation, these go through staff review. We have a
21 work force meeting. The work force looked at them, we had
22 three members of the Public Advisory Group at that work
23 force meeting, they looked at the initial recommendation.
24 And based on all of that input we ended up drafting --
25 putting together a draft recommendation that went out for

00113

1 public comment. The draft plan -- the draft recommendation
2 was then reviewed by the Public Advisory Group at its
3 meeting in July. We held a public hearing on it. One
4 person testified and that was Patty Brown-Schwalenberg who
5 mainly was there to report on the status of her project
6 052, the community involvement project. And you do have in
7 your packet here, a summary of the public comments.

8 The PAG comments on the FY-02 work plan,
9 there was no motion made or passed. They asked for some
10 follow-up that further consideration be given to the
11 fall/winter herring surveys, Project 02457. And in fact,
12 after the Public Advisory Group meeting we did have a
13 teleconference with Fish and Game, with our herring
14 researchers, with some of the PAG members to discuss a
15 little bit further what additional herring work should be
16 done, and we actually revised some of our recommendations
17 as a result of that teleconference. And there is some
18 additional work in here and we'll go through it as we get
19 to the herring proposals.

20 The PAG also asked that ships of
21 opportunity program be initiated or considered in Prince
22 William Sound and we added some language to the Cook Inlet
23 proposal to reflect some follow-up there. And they asked
24 that Bruce Finney's project that does core sampling of
25 sockeye salmon lakes, the addition of Desire Lake to that

00114

1 project to be considered and Bruce has looked at it and
2 thought it was a great idea and would be of value and so
3 there's some changes in that. So the cases where the three
4 instances where the PAG had some concerns, those have all
5 resulted in some modification or addition to the work plan.

6 MR. RUE: The work plan that we see before
7 us?

8 MS. McCAMMON: The work plan you.....

9 MR. RUE: Yeah.

10 MS. McCAMMON:see before you, yes.
11 Yes. And I think that's about it other than the fact that
12 the way we have this organized and the clusters differs
13 from previous years. In the past you would have seen pink
14 salmon, other fish, the SEA project and other similar
15 proposals. What we found was that in a lot of those
16 there'd only be one project. And we started looking at it
17 and then the GEM transition cluster had like 40 projects in
18 it, and so we looked through this and did kind of a
19 preliminary cut and organizing it a little bit differently.
20 And we tested it with the Public Advisory Group and with
21 the work force at their meeting and it was received pretty
22 positively. And so we've included it this way for you. It
23 makes it a little bit difficult because if you're used to
24 seeing projects in the pink salmon cluster or whatever it's
25 -- you know, I'm looking through this, I can't figure out

00115

1 where we have things now. But I think it's just a matter
2 of getting used to it and it was either doing that
3 transition this year or next year. So we thought we'd try
4 it this year and maybe refine it by next year. But it
5 seems to have worked pretty well. People seem to be pretty
6 pleased with but you may have a problem finding the pink
7 salmon project.

8 MR. RUE: Yes, if I could just make one
9 suggestion while we're going through it.

10 MS. McCAMMON: Yes.

11 MR. RUE: Perhaps as a footer on the full
12 project descriptions, you could cross reference which
13 cluster you're in so that you can back and forth. I found
14 it hard to go back and forth between the summary sheets and
15 the project description sheets with Chief Scientist's
16 recommendation.

17 MS. McCAMMON: What happens now, for
18 example, on spreadsheet B, Page B-1, Oil Injury is at the
19 top.

20 MR. RUE: You can't follow.....

21 MS. McCAMMON: And so it does follow the
22 order -- the text follows the order of the clusters. But
23 when you get to B-2, it doesn't say oil injury anywhere
24 so.....

25 MR. RUE: Right, you don't know which

00116

1 cluster it is.

2 MS. McCAMMON:I don't know how hard
3 it is, it might have to be done manually or something.

4 MR. RUE: A minor thing, yeah.

5 MS. McCAMMON: So what I asked Dr. Spies to
6 do, to start with, is give a little bit of an overview or
7 summary of where we are in terms of oil spill recovery and
8 then he and Dr. Mundy are going to walk through the various
9 clusters and talk about the recommendations and I'll chime
10 in and Sandra chimes in when needed. And I don't know if
11 you want to just reserve questions till the end or if you
12 want to do it as we go along -- it's your pleasure.

13 CHAIRMAN TILLERY: Well I think what has
14 served us well in the past is to ask questions sort of at
15 the end of a cluster and then we'll just take one vote
16 though on the Work Plan. Amendments or suggestions that
17 seem to have general concurrence are sort of added in and
18 then voted on it at the end.

19 MR. RUE: Of the entire.....

20 CHAIRMAN TILLERY: Yeah, the entire -- in
21 other words, as we go through, at the end of a cluster ask
22 questions and if it appears something needs to be amended,
23 we can make a note of it. Then at the end of everything,
24 we can vote on the Work Plan and the specific amendments.

25 MR. RUE: So you're suggesting we do

00117

1 amendments as we move through the clusters rather than.....

2 CHAIRMAN TILLERY: That we note as we.....

3 MR. RUE: But we'll actually.....

4 CHAIRMAN TILLERY: No, no. Not actually
5 make them.

6 MR. RUE: We won't vote on them but we'll
7 write them down.

8 CHAIRMAN TILLERY: We'll just vote on it at
9 the end. Right. Just write them down and make a note of
10 it.

11 MR. RUE: Okay, debate them.

12 CHAIRMAN TILLERY: Mr. Balsiger.

13 MR. BALSIGER: Mr. Chairman, could we have
14 just a very brief explanation of why we have \$5,000,000 and
15 what happens if the stock market keeps going down. What is
16 the funding policy kind of thing?

17 MS. McCAMMON: See, when the Council
18 adopted its spending plan, what they did for the first few
19 years -- for the next few years, is to adopt a certain
20 amount of money. And that's a cap and not to exceed cap.
21 And then the future spending plan is four and a half
22 percent of the total amount averaged over three years, four
23 years and eventually five years. So it will be rolling
24 average. And the idea of that is to allow for inflation
25 proofing and to kind of flatten out the -- some years you

00118

1 may be a lot higher than your anticipated rate of return;
2 some years you may be a lot lower. And so that will be
3 adjusted over time. At this point, for most foundations,
4 they're choosing five to five and a half percent spending
5 rates. So the four and a half percent is actually pretty
6 conservative. I did ask Debbie Hennigh to do some
7 calculations just out of curiosity because we have gotten
8 kind just hit right off the bat. What if we were to not
9 spend a million dollars this year and do 4,000,000 instead
10 of 5,000,000? And with that, how much more money would
11 that give us in the long term? And it really is pretty
12 negligible. It's like an additional 50,000 a year or
13 something over the -- when you average it all out. So it
14 really didn't make a significant difference in the amount
15 of money that might be available.

16 MR. BALSIGER: But the 5,000,000 is a
17 5,000,000 cap this year as opposed to a percentage, is
18 that.....

19 MS. McCAMMON: Correct. Correct.

20 MR. BALSIGER: Okay. So next year, is that
21 when we start the percentage?

22 MS. McCAMMON: No, we don't start the
23 percentages until the fund is fully capitalized. And the
24 fund will be fully capitalized after this payment from
25 Exxon, September 1. So starting three years from now, we

00119

1 would do the percentage.

2 MR. BALSIGER: Thank you. Exactly what I
3 wanted to know.

4 MS. McCAMMON: And there is always time to
5 adjust over that period if we choose to. But I did look to
6 see if, this next three years, if we cut back on the
7 amount, if it made a significant difference and it really
8 doesn't.

9 CHAIRMAN TILLERY: The concept, I think, as
10 we adopted it was a level funding program with the idea
11 that in bad years, you resisted the temptation to cut; in
12 good years you resisted the temptation to throw in extra
13 and figure that over time you would have -- meet your
14 funding levels with a slight growth.

15 MS. McCAMMON: Now if we were to lose money
16 for the next 10 years, we might have to re-evaluate that.

17 MR. BALSIGER: Well, I sat on the Northern
18 Fund thing, which was referred to here.....

19 MS. McCAMMON: Yes.

20 MR. BALSIGER:and we could only spend
21 money from the money we earned and we lost \$500,000 this
22 year so we don't have any projects.

23 MS. McCAMMON: Right.

24 MR. BALSIGER: But it was the first year
25 that we had a bad going so I'm curious -- that's what

00120

1 struck my curiosity. This is what I remembered and I'm in
2 favor of it I just.....

3 CHAIRMAN TILLERY: Yes, and that's why
4 we're doing it, to avoid that problem.

5 MR. RUE: And we have time to get set to
6 that as opposed to the Northern Fund, right?

7 CHAIRMAN TILLERY: Yeah, I'm not sure. And
8 also our spending is based on a percentage of the capital
9 amount as opposed to an earnings based.

10 MS. McCAMMON: Right.

11 MR. BALSIGER: Was it five percent of
12 the.....

13 CHAIRMAN TILLERY: It's four and a half
14 percent of, I think.....

15 MS. McCAMMON: Four and half percent of the
16 total fund.

17 CHAIRMAN TILLERY:of the fund.

18 MR. BALSIGER: Okay.

19 MS. McCAMMON: Bob.

20 DR. SPIES: All right. We've got a tag
21 team approach today. Phil Mundy is the lead scientist in
22 GEM and he's here because we have so many GEM transition
23 projects. So we're kind of splitting the scientific
24 duties. I'm concentrating more on the regular Restoration
25 Program and Phil's developing the GEM program and we're

00121

1 kind of each helping each other out by taking leads in
2 different parts of the scientific program.

3 The science program, I thought I'd give you
4 a quick update relative to the comments that Molly made
5 about where the main work is continuing now. We do have --
6 we can look at the scientific program in four major
7 categories, the first of which would be continuing work on
8 oil spill -- the potential for oil and environment to both
9 have effects on organisms and also the recovery of the
10 damage to the ecosystem since '89. So that's kind of the
11 tracking of the recovered injured species, which is the
12 second category.

13 The third category is determining ecosystem
14 limitations on recovery and that was the kind of program
15 that we funded. The large ecosystem programs, APEX and SEA
16 and the NVP programs that started in '94 and '95 have now
17 pretty much completed. And finally, the preparation of
18 long-term monitoring program in GEM and we've got a number
19 of categories. Their strategy is to improve monitoring in
20 the GEM program -- tools to improve monitoring. And
21 finally, synthesis and retrospective analysis.

22 The science program really is in the
23 conceptual transition again this year, moving from its
24 major emphasis to recovery limitations such as we saw under
25 the large ecosystem programs, to tracking the long term

00122

1 ecosystem changes in the Gulf of Alaska over somewhat of a
2 wider area. And trying to understand the root causes of
3 change in this very dynamic ecosystem. So what is the
4 status of the ecosystem in the spill area after the spill?
5 Well, you heard this morning from Jeff Short about the
6 remaining oil in the ecosystem. I think that's probably of
7 concern and is the largest development that we've seen this
8 year in terms of a changing picture. There's more oil out
9 there than we anticipated and we do have this phenomenon of
10 oil lower in intertidal zone that we anticipated. That's
11 probably the single largest finding.

12 As far as the state of the ecosystem with
13 regard to recovery from spill effects, the biological
14 effects that we see, there's still some recovery going on.
15 There's a lot of species that are going to be looked at
16 this fall and winter in terms of status recovery. We're
17 due for an update on the status of injured resources. But
18 there are some good examples of continuing injury and
19 include, for instance, the intertidal communities where the
20 cleanup after the spill resulted in a lot of washing down
21 of sediments. And we still don't have organisms
22 repopulating those beaches that lost a lot of sediments
23 from the interstices between the rocks and so we have
24 missing components of the fauna, including some bivalves in
25 particular.

00123

1 Sea otter populations continue to be
2 depressed in area of Knight Island where on a Sound-wide
3 basis, the populations are relatively healthy. Harbor
4 seals and many sea birds have not yet returned to pre-spill
5 population levels and those bear careful monitoring into
6 the future. Pacific herring biomass, as most of you know,
7 is near historic lows after having crashed in '93 and '94
8 and having been limping along, we still have not recruited
9 a major new age class of herring. Herring recruit new age
10 classes about every seven or eight years and we're still
11 waiting for a good strong age class. We haven't seen it.
12 And we know that there's still biologically available oil
13 in the mouths of salmon streams and I think it may be even
14 more widespread than that because of indication of
15 lingering effects of oil. Exposure in some higher trophic
16 level organisms, it's very low level exposure but still
17 it's measurable in things like sea otters and harlequin
18 ducks.

19 We're really waiting, kind of, for nature
20 to finish its work. Specifically the slow disappearance of
21 oil from the environment by oxidation processes and
22 weathering is still going on. Obviously that's going to
23 take many decades to complete based on the kind of
24 information we're seeing with deposits of fresh oil in the
25 intertidal. So getting back to what it was before the

00124

1 spill is going to take a long time in terms of the residual
2 oil that's in the environment. We're also waiting for a
3 good change in the climatic conditions that would allow
4 primary productivity and ertiary to be sustained at a high
5 level over some years. I think that's kind of the boost
6 we're waiting for in the ecosystem -- to get back to full
7 recovery, the system.

8 So I thought I would move now into the
9 various clusters and describe the proposed projects, very
10 briefly, in each of the clusters and the recommendations
11 that are being made for each of the projects.

12 In the oil injury category, there's six
13 projects that are being recommended for continued funding
14 in fiscal year '02. They include the Project 190, which is
15 the Genetic Linkage Map for Pink Salmon Genome. The
16 Trustee Council has invested a considerable amount of money
17 over the last six years in this project. And really the
18 project pretty much -- it's got good information but its
19 real value is going to really, hopefully, be brought out
20 this year. We've got returning pink salmon to upper
21 Resurrection Bay released from the SeaLife Center and
22 raised there. And we need about 200 fish back and we need
23 to capture them and so there's a massive effort underway.
24 I understand the first tags are just coming in now as we
25 speak because the fishing derby is going on down in Seward.

00125

1 So we're hoping to get at least 200 fish back to make this
2 project pay off in terms of the survival value of certain
3 genetic combinations in the environment.

4 Project 476, which is the project that the
5 Trustee Council again has been funding for quite a few
6 years, is looking at the effects of oil incubation on eggs
7 and the subsequent effects on adult salmon not only in the
8 generation that was exposed but in subsequent generations.
9 What we call the F-1 generation whose parents were exposed
10 are now out in the ocean and maturing. They'll be coming
11 back next summer and those fish will be spawned in what we
12 call then the F-2 generation, which the grandchildren of
13 fish that were exposed, will be looked at for their
14 survival and comparing a control versus oil groups to see
15 if we see transgenerational effects of the oil on pink
16 salmon. We've had some hints of those kinds of effects
17 from past work and this is essentially a repeat to
18 reinforce that initial work.

19 Project 492, whether the embryo study is
20 biased, this addresses the question of whether the eggs
21 that were looked at and counted as dead in the pink salmon
22 streams in 1989 through 1994 -- actually the studies went
23 on beyond that but '94 was the last year of effects -- that
24 we saw differential effects in the numbers of dead eggs
25 between oiled and unoiled salmon streams. This project

00126

1 will be seeing if there was a bias. What happens when you
2 suck up the eggs is you can induce -- they're sensitive in
3 certain stages in their development and you can induce
4 injury. So far the results of this study indicate that the
5 eggs that are sucked up from the stream bottom, if they're
6 alive when they're sucked up, they will appear to be
7 different if you will sample them soon enough after
8 collection. So the question then is, were they sampled
9 soon enough after the collection? And so that study will
10 be concluding in '02.

11 Project 538 is being recommended for
12 continuation. This is the study that you funded last year
13 to look at a couple of markers of the population
14 substructure -- subpopulations of Pacific herring in the
15 Northern Gulf of Alaska, Prince William Sound and Kenai and
16 Kodiak. And using a couple of innovative methods for
17 looking at trace element analysis in the otoliths and also
18 for fatty acid profiles in the heart tissue of herring.
19 And since a number of people have had concerns about the
20 extent of our herring effort and particularly the Public
21 Advisory Group has been pushing us to do more with herring
22 research to follow up on the recommendations we developed
23 in a series of workshops over the last several years. We
24 have recommended actually expanding the collections a
25 little bit into the fall period. We hadn't been collecting

00127

1 fall stocks and it's another chance to look at aggregations
2 of herring in Montague Strait in the fall to see if, in
3 fact, we can see indications of more than one stock of
4 herring aggregating there.

5 Project 543 is oil remaining in the
6 intertidal. You heard about this this morning from Jeff
7 Short. That also includes a \$250,000 placeholder to
8 potentially follow up on the findings from that study in
9 terms of -- particularly the effects of that remaining oil
10 and we're, of course, concerned with the oil in the lower
11 intertidal.

12 Finally Project 593 is the River Otter
13 Synthesis. And this an effort by a graduate student of the
14 University of Alaska, Fairbanks to pull together a lot of
15 the work and synthesize the work we've done over quite a
16 few years on river otters, both before and including the
17 NVP project in terms of territoriality, feeding, social
18 structure and the latrine visitation and so forth in this
19 group of animals.

20 Are there any questions on that cluster?

21 CHAIRMAN TILLERY: Mr. Balsiger.

22 MR. BALSIGER: Briefly could you speak to
23 one that you didn't fund, 639. That's the Shigenaka HAZMAT
24 one.

25 DR. SPIES: Yes, that project was -- we

00128

1 have a really good intertidal reviewer, he looked at that
2 and he had some problems with the scale of which they were
3 doing that. These small plots that they're proposing to
4 follow up on, I believe that they went ahead and cleared
5 some of those plots last year. He didn't feel that that
6 kind of information that was coming from that was
7 particularly useful plotting back to the oil spill when
8 there's literally kilometers of areas that were cleaned and
9 so forth. And so that particular reviewer recommended
10 against funding that project.

11 MR. BALSIGER: I guess my -- I may have to
12 talk about this in a different setting at sometime. So I
13 sort of read your comments as it would be something useful
14 to do if it was set up correctly in terms of the
15 experimental design but it looks like the Executive
16 Director doesn't believe it's in the priority work to be
17 done by the Council. So I was wondering whether you
18 thought it would be useful to advise them to revise it and
19 resubmit or if it's really outside of what you think we're
20 going to be doing?

21 DR. SPIES: I think, like a lot of other
22 projects, it would probably have to compete in the mix of
23 projects and kind of see where its priority would be and
24 this definitely falls into the -- going to try and
25 understand a little bit better, the oil injury, and it's

00129

1 the balance between that and things that are looking more
2 into the future in terms of GEM and so forth. Okay.

3 MS. McCAMMON: Actually -- Mr. Chairman.
4 Dr. Spies, is it possible to actually make a design of that
5 something that would be more appropriate within a similarly
6 appropriate cost range or is part of the problem also that
7 in order to really do it well it would just be incredibly
8 expensive?

9 DR. SPIES: I think there could be some
10 improvements made. I mean, I'm not sure how much cost
11 would be involved in redesigning this to the satisfaction
12 of our reviewer and so I couldn't really give you a
13 complete answer to that question.

14 MR. RUE: Sort of along the same vein, and
15 we aren't conspiring here but, you know, looking at what
16 Jeff Short earlier was talking about, lingering oil, and
17 then what people were saying about the aggressive cleanup,
18 particularly in some of the soft sediments, where we got
19 rid of the -- no clams recolonize in some of these areas.
20 I know during the cleanup there was a lot of decision, is
21 it worth it or not? Is it worth cleaning. Should we leave
22 the oil in place? Will nature take care of it better than
23 us going out there and hammering it with hot water? This
24 looks like it's focused on rocky -- I was thinking more of
25 the softer sediment types where maybe, you know, forever

00130

1 that you don't get clams back. DR. SPIES: We've got
2 these beaches that are mixed sediments. That are cobble on
3 top and when you get down further there's a -- kind of
4 pockets of sand and finer materials down in between and
5 it's some of those sediments that were lost in the cleanup.
6 Even in the rocky beaches, if you see some of those old
7 photos of them cleaning the beaches.....

8 MR. RUE: Sure.

9 DR. SPIES:you can see plumes of
10 sediment moving off the beach and.....

11 MR. RUE: So he's talking about the same
12 types of beaches?

13 DR. SPIES: Yeah.

14 MR. RUE: Okay, thank you. I think our
15 calculation had been, maybe it wasn't worth cleaning but
16 now that we're seeing the oil still there in almost
17 unaltered state, maybe it was still worth taking and
18 repeating. So maybe if -- I mean, that might be something
19 interesting for this person to talk to Jeff Short about --
20 is there some way to tie those two -- so you learn
21 something about your experience plus is it having a
22 lingering impact. So you could maybe kill a couple of
23 birds with one stone. Was it a smart decision in the first
24 place and then, second, where we didn't do this aggressive
25 cleaning, is it still having an impact? Or even if we did

00131

1 aggressive cleaning it's still there and it's having a
2 lingering effect. Maybe that would be the line of
3 discussion.

4 MR. BALSIGER: Okay, thank you.

5 DR. SPIES: That's a good question, I
6 think, and we need to try to get our arms around that and
7 capture that before this process is finished.

8 MR. RUE: Well -- been another oil spill
9 going on and they're struggling like crazy. You know,
10 should we hammer this beach or not?

11 CHAIRMAN TILLERY: Right. And right now, I
12 think the consensus is, you're not as aggressive with hot
13 water and high pressure stuff but again, Jeff's stuff.....

14 MR. RUE: Might make you think.

15 CHAIRMAN TILLERY:could make you
16 think again.

17 DR. SPIES: Yeah, it's a question even if
18 you went in two or three weeks after that cobble beach got
19 oiled, you've got the oil down already into the beach
20 whether you can really practically retrieve it without
21 going to huge amount of cost and really being disruptive.
22 I mean, it's one thing to clean it off the surface.

23 MR. RUE: This was just on cobbled beaches.

24 MS. McCAMMON: Many of these beaches were
25 also hot water washed.

00132

1 MR. RUE: Pardon?

2 MS. McCAMMON: Many of the beaches that
3 they're looking at that still have oil remaining on
4 them.....

5 MR. RUE: Were actually washed.

6 MS. McCAMMON:were hot water washed.

7 MR. RUE: Yeah.

8 DR. SPIES: You may have mobilized the oil
9 off the surface now.

10 MR. RUE: Helped it get deep.

11 DR. SPIES: Okay, the next classification
12 is spill recovery monitoring. We've got about 10 projects
13 here. We're recommending the conclusion of the killer
14 whale investigation. This investigation, of course, goes
15 all the way back to 1989. The investigators done a
16 wonderful series of studies looking at killer whale
17 biology, particularly the recovery of AB pod and AT pods
18 that had large losses right around the time of the spill.
19 And have done genetic work, population work, social work,
20 communications type work on killer whales and that
21 hydrophone acoustic communications work continues along
22 with the investigating killer whale pod structure and the
23 recovery of those pods. AT pod, it now looks like it's in
24 very, very serious trouble and that's of some concern
25 because it is genetically fairly unique among North Pacific

00133

1 killer whales. So we're recommending conclusion of this
2 study and in order to kind of clear the decks, in a way,
3 for GEM. It may be that we want to do killer whales in GEM
4 but that's a determination I think we have to make on down
5 the line. We're trying to hold the line for most studies
6 at the end of fiscal year 2002.

7 Project 02-144 is a common murre population
8 monitoring. Common murres have shown very strong signs of
9 recovery. They had a little bit of a lapse back in '97
10 when we had the warm water El Nino incident but in '96 we
11 had good recovery and continue to see pretty good levels of
12 common murres in the colonies, particularly in the Gulf of
13 Alaska and the Barren Islands and so forth that were hard
14 hit by the spill. And very good studies have been done,
15 particularly by Dave Roseneau and John Piatt and so forth
16 on this group. And so they're going to be concluding their
17 work throughout the Gulf of Alaska in '02.

18 Project 159, which is the sea bird boat
19 surveys, again another long running project. Done a very
20 good job, they've been lately monitoring on a bi-annual
21 basis to try to get the cost down a little bit. We were
22 doing them every year at a -- it was getting fairly
23 expensive. And also the rate of change in some of these
24 populations is rather slow and we believe that they can
25 even be done at less frequent intervals than every two

00134

1 years as they are now. We'd also like to see a little bit
2 more cost sharing from the Department of Interior on this
3 particular series of studies. So that's a defer relative
4 to some of those questions.

5 Project 245 is a community based harbor
6 seal bio-sampling and we're recommending funding for one
7 year and conclusion of this in '02. This has been a really
8 successful program where the Native hunters have been
9 cooperating with scientists in making available tissues
10 from a subsistence from the subsistence harvest. They've
11 been a very well managed distribution network and those
12 tissues have been given to a lot of different people to do
13 a whole variety of different kinds of studies and it's been
14 a very valuable and successful project. We may also want
15 to continue that in some form in GEM for not only harbor
16 seals but other sorts of organisms that -- tissue banking
17 and tissue analysis sampling of some of these higher level
18 trophic organisms may be appropriate.

19 We're also recommending conclusion of
20 Project 407, which is the harlequin duck population
21 dynamics study that is being carried out for the Department
22 of Fish and Game. One more year of detailed boat survey
23 work designed particularly for harlequin ducks appears to
24 be in order in order to get a good analysis of variability.
25 Harlequin ducks is a likely candidate eventually for more

00135

1 work in the GEM program and having this kind of baseline
2 understanding of variability in the population over some
3 number of years will very useful in designing future
4 studies.

5 Project 441, which is the harbor seal diet
6 effects has actually been extended an additional year to
7 allow the investigator to incorporate some further tissue
8 analysis, particularly with regard to fatty acid profiles
9 in harbor seals, both in experimental animals in the
10 SeaLife Center and also from field collected animals. We
11 did some diet switching in the SeaLife Center with harbor
12 seals and this project is going to tell us how the fatty
13 acids reflect that change as you change the diet from
14 pollock to herring and back again.

15 Project 462, which is the herring disease
16 program. Again, another long running program that we're
17 recommending that at least temporarily be brought to a
18 close. You may want to pick up something like this
19 eventually again in GEM. It's been a very successful
20 program since about '94 when the herring population of
21 Prince William Sound crashed. This was put into place,
22 it's made major contributions. It's probably the best
23 field study in the world of long-term pathogen occurrence
24 and disease expression in a marine fish population. It's
25 also been cost sharing through National Science Foundation

00136

1 and this project's been a very successful project.

2 Project 558, which is harbor seal
3 monitoring technologies is being carried out by Shannon
4 Atkinson, Alaska SeaLife Center. She's developing some
5 markers of harbor seal health. Things as looking at amino
6 chemical detection of things like a corticoid steroids and
7 some of the antibodies that have been developed for other
8 health measures in harbor seals and this is, I think, going
9 to be useful in the future as we look at individual base
10 measurements of health of higher trophic level organisms.

11 And finally Project 574, which is the bi-
12 valve recovery on treated beaches. The proposed
13 investigator, Dr. Lees, has been longstanding -- record of
14 work, both in Lower Cook Inlet and Prince William Sound on
15 intertidal organisms and he's put a proposal in for a
16 couple years. He did a particularly job but there's some
17 remaining questions about this and we want to see a revised
18 proposal to address a couple of questions that we have on
19 this particular project.

20 CHAIRMAN TILLERY: Questions? Frank.

21 MR. RUE: Yeah, is this the time to propose
22 some amendments?

23 CHAIRMAN TILLERY: I think so.

24 MR. RUE: Okay. Actually two projects that
25 I support, I would still like to propose an amendment on

00137

1 the 2245, the community based harbor seal monitoring and in
2 the Atkinson one, 2558. I support both those projects. I
3 would recommend we approve them with the contingency that
4 they report back to us on Federal budget appropriations
5 which may give them a large -- apparently the Senate budget
6 has huge chunks of change for harbor seal work to the
7 SeaLife Center and the Native Harbor Seal Commission.
8 Large increases, so I'd want to fund these contingent on
9 other Federal funds not being available to do the same work
10 or some words to that effect.

11 CHAIRMAN TILLERY: When would we know this?

12 MR. RUE: Probably we'll know November.

13 CHAIRMAN TILLERY: Would it be worse if you
14 were to do that, just deferring them until December and
15 then we'd know?

16 MR. RUE: No, I'd prefer to approve them
17 because I think they're good projects but I'd like to find
18 out if.....

19 DR. SPIES: Would you have meant to include
20 558 in that too?

21 MR. RUE: Yeah.

22 DR. SPIES: Yeah.

23 MR. RUE: I don't know if there is
24 something we can do short of deferring because we
25 don't.....

00138

1 CHAIRMAN TILLERY: Well, I'm just trying to
2 figure out what your trigger is?

3 MR. RUE: If we go back to December --
4 well, there isn't one really, I guess.

5 CHAIRMAN TILLERY: Whereas if you defer
6 them, then you can make sort of a judgment, taking into
7 account what we know at that time. Because there's
8 something.....

9 MR. RUE: Problem is we'd have to defer
10 till December which may be late.

11 MS. McCAMMON: Do you know anything about
12 their fall activity?

13 MS. SCHUBERT: Not really. The one thing I
14 was going to say is I know on the Harbor Seal Commission
15 Project in particular that we're just -- the Trustee
16 Council would be providing a pretty small amount of funds
17 this year because of Federal funds already being accounted
18 for in the budget. And for example, Monica Reidel's time
19 as executive director is now being funded by Federal funds.
20 That's something we used to fund. So I know there has been
21 some accommodation for that already. I don't know if there
22 would be more this year or not.

23 MR. RUE: My only problem with deferring is
24 it holds it off until when, December. We won't get back to
25 these until December. They may need the funding sooner

00139

1 than that, right?

2 MS. McCAMMON: Right.

3 MS. SCHUBERT: Right.

4 MR. RUE: I was looking for a middle ground
5 and maybe it's not worth doing unless we.....

6 MS. McCAMMON: I think if, with just fund
7 contingent and then we just talk to them.....

8 MR. RUE: I think that's all I need to
9 know.

10 MS. McCAMMON: The main one is probably
11 Shannon Atkinson's at the SeaLife Center because the -- I
12 mean, this is a pretty expensive project. It's not just
13 the cost here but it's also the.....

14 MR. RUE: Bench fees.

15 MS. McCAMMON:bench fees. So it's
16 about a \$300,000 project total. But I don't know if she
17 has work planned for the fall and with the Federal budget,
18 if you don't know until November I'm not sure when you even
19 get the money. When it's available. My guess is not until
20 February or so.

21 MR. RUE: Probably not, yeah.

22 MS. McCAMMON: So this might be more a
23 consideration maybe for next year possibly. But I mean we
24 could still put the contingency on that they would have
25 to.....

00140

1 MR. RUE: Contingent on a description from
2 them on how this would not be.....

3 MS. McCAMMON: Other Federal funding
4 sources.

5 MR. RUE: Right, on other Federal funding
6 sources. That's all I wanted to know. I don't want to
7 hold them hostage.

8 DR. SPIES: Any further questions or
9 comments on this cluster?

10 CHAIRMAN TILLERY: I had a couple and
11 actually one of them was from the last cluster and I didn't
12 realize we had passed by this one. The question -- that
13 proposal for the watchdog tool.

14 MR. RUE: What number is the.....

15 DR. SPIES: Yes.

16 MS. McCAMMON: 663.

17 CHAIRMAN TILLERY: 663.

18 MR. RUE: What page is it on?

19 CHAIRMAN TILLERY: I understand that
20 apparently somebody didn't even explain what the watchdog
21 tool was. But the concept of learning how oil that Jeff
22 Short was talking about, that's in these beaches, may be
23 getting out where it may be going, whether it's migrating,
24 is probably one we should be looking at. Is there anything
25 that has been proposed that would deal with that subject?

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1 DR. SPIES: No, except under the -- we have
2 discussed that concept pretty extensively under the set
3 aside for that one project that Jeff described this
4 morning. I don't think the project that you refer to is
5 the right vehicle for that. But the concept is a good one.
6 The concept of, you know, how much oil is getting out and
7 how do we measure that and what does it mean.

8 CHAIRMAN TILLERY: And my other one was, do
9 I understand that Craig Matkin did not propose anything but
10 a closeout on this one --on the killer whales?

11 DR. SPIES: I'm trying to remember the
12 history of that.

13 MS. SCHUBERT: He proposed a continuation.

14 DR. SPIES: What?

15 MS. SCHUBERT: He proposed a continuation.

16 DR. SPIES: Yeah, he proposed continuation.

17 CHAIRMAN TILLERY: And but.....

18 DR. SPIES: The peer reviewers are pretty
19 strong on that one and the bird surveys -- kind of wanting
20 to examine, you know, how long are we going to continue to
21 do this sort of thing.

22 CHAIRMAN TILLERY: And this was part of
23 your thing, Molly, about how much precision are you really
24 getting?

25 MS. McCAMMON: Right. And it wasn't meant

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1 to say that there would be no monitoring in the future at
2 all but to start really scaling back monitoring of some of
3 the species where you only see a little movement every year
4 if any movement every year.

5 MR. RUE: And recommending you might do it
6 every other, every third, every fifth, some other interval.

7 MS. McCAMMON: Possibly. Possibly, yeah.

8 DR. SPIES: And, you know, the possibility
9 of matching funds for some these.

10 CHAIRMAN TILLERY: Mr. Balsiger.

11 MR. BALSIGER: On 2457, which is one that
12 wasn't funded again. It's Dr. Thorne's herring biomass --
13 fall biomass. Both you and the Executive Director point
14 out that the workshop didn't find this type of project as
15 being high priority. And then Molly said, the workshop
16 recommended including ASA hindcasting to estimate spawning
17 biomass. I don't know what ASA is, to start with.

18 MS. McCAMMON: It's their model for.....

19 DR. MUNDY: It's a age structured analysis.
20 So it's basically you do know it but it's the old, you
21 know, tables like the.....

22 MR. BALSIGER: Cohort analysis.

23 DR. MUNDY:age structured -- cohort
24 analysis, sure.

25 MR. BALSIGER: Again, I'm trying to

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1 understand why this would be an alternate way of getting a
2 time series of biomasses in the Sound. And I'm wondering
3 why their infrared technique wouldn't be better than the
4 cohort analysis hindcasting. If you had some thought on
5 that.

6 DR. MUNDY: Mr. Chairman, if I may. Yes,
7 for the record, this is Phil Mundy, Science Coordinator.
8 The idea at the workshop of using the ASA hindcasting was
9 that after -- they have been using the ASA model to get
10 pre-season biomass forecasts for the purposes of management
11 so that they would know where to start the season. They
12 don't bother on the basis of the most current results to go
13 back and then recorrect those estimates because they don't
14 serve a useful management purpose in their view. But you
15 can get far more precise estimates of the biomass by going
16 back and correcting the ASA forecast. So that was a
17 practical matter that would give us a more accurate image
18 of how well we can forecast the biomass and what the
19 biomass is.

20 The issue on the fall survey, the fall
21 hydroacoustic surveys is, first of all, one of stock
22 identification. The question is if you go and you do these
23 surveys in the fall, what herring are you surveying? Are
24 these the herring that ultimately show up on the beaches of
25 Prince William Sound to spawn? And that's been a question

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1 that's plagued us for quite some time now and we have tried
2 various approaches to answer that question which have not
3 been completely satisfactory. So the workshop again
4 emphasized the need to understand the herring in its
5 complete life cycle and the geographic reference frame
6 within which that occurs -- which basically is stock
7 identification. So we're not convinced that we're at the
8 stage where the fall surveys would serve a useful purpose.

9 MR. BALSIGER: Thank you very much. One
10 last one, if I could. On 574, which also is not funded,
11 it's the one that -- no, it is funded but it's.....

12 MS. McCAMMON: Defer until December.

13 MR. BALSIGER:Littoral Ecosystem and
14 Environmental Service or something like that. But refers
15 to picking up a project NOAA's HAZMAT Program had
16 initiated. Is the NOAA HAZMAT Program involved in this at
17 all or is this completely separate from that. I know that
18 NOAA is the lead agency but is that going to be through our
19 shop or is NOS interested.

20 DR. SPIES: It was proposed by Dennis Lees,
21 who I believe has an independent company himself and I
22 can't remember -- I don't have the DPD in front of me -- I
23 can't remember if he has any other investigators on that
24 from that project. But he was originally involved in the
25 first series of studies that were done with that group

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1 under NOAA HAZMAT funding back in '89 and '90.

2 MR. BALSIGER: Thank you.

3 DR. SPIES: Okay, let's move on to
4 ecosystem recovery and function. There's eight projects
5 that are being recommended for funding or at least
6 deferred. The first of those is Project 163, if you
7 recall, this is the APEX ecosystem project that looked at
8 seabirds and their reliance on forage fish. And this
9 project, 163M is requesting funds to complete the analysis
10 of a large amount of data collected mostly in Cook Inlet by
11 Dr. Piatt, the USGS contrasting food availability and
12 reproductive performance of sea birds at Chisik Island,
13 Barren Islands and Gull Island and outer Cook Inlet and
14 upper Cook Inlet -- middle Cook Inlet. And so we're
15 recommending that that work go forward. That has the last
16 really major piece of work within the larger APEX program.
17 We get that brick in place and we can move on to some sort
18 of synthesis finally within this project. As much as we've
19 done on the SEA program, kind of wrap the whole thing up.

20 Project 195, which is the pristane
21 monitoring project, recommending that it be funded in '02.
22 This project has provided an interesting and series of
23 measurements that link pristane in mussels to the currents
24 of zooplankton in shore in Prince William Sound where these
25 juvenile pink salmon are feeding. It doesn't work all the

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1 time but it has worked most of the years and I think it's
2 got a solid piece of work. We may want to build on this
3 sometime in the future in the GEM program.

4 Project 320 is deferral. It's a small
5 amount of money being requested for the printing of the SEA
6 final report.

7 Project 396 is the salmon shark assessment
8 recommending conclusion of this project. And basically
9 some pop-up tags that are still on salmon sharks out in the
10 Northern Gulf of Alaska and there's some money in here for
11 satellite data analysis on the satellite data that's
12 transmitted back from these tags and writing the final
13 report.

14 Project 401 is the spot shrimp assessment.
15 This was done by -- was it Hughey is his name?

16 MS. McCAMMON: Charlie Hughey.

17 DR. SPIES: Yeah, Charlie Hughey from
18 Valdez and it's a supplement to Fish and Game spot shrimp
19 pot surveys that are done in Prince William Sound. It
20 essentially found that these additional pots pretty much
21 tracked the Fish and Game survey. Done a credible job
22 there with the help of Chuck O'Clair from the Auke Bay
23 laboratory in recommending conclusion of this project.

24 Project 423, which is the population change
25 in nearshore vertebrate predators. This project is

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1 focusing particularly on sea otters and harlequin ducks.
2 And we're recommending continuation of this through '02 and
3 there's some closeout money in '03 for sea otters in there.
4 One of the questions we're looking at here relates back to
5 the oil that's remaining in the intertidal zones you heard
6 about today and we've talked about quite a bit. And that
7 has to do with the induction of enzymes in the harlequin
8 ducks that indicate exposure to very low levels of oil.
9 And we also have linked data that indicate that the
10 harlequin ducks are not surviving as well in western Prince
11 William Sound versus eastern Prince William Sound. So
12 there's a coincidence of some exposure and some potential
13 effects here that we want to investigate further through
14 this project. The sea otter work here is exemplary by the
15 way. Jim Bodkin's doing a fantastic job in the sea otter
16 population biology with this continuation of what was
17 essentially the NVP project.

18 Project 479, I'm recommending for
19 conclusion, is the sea bird food stress. You remember this
20 is the measurement of corticosteroids in adult sea birds
21 that gives an indication of their stress and the kind of
22 feeding activity that they're undergoing while they're
23 raising their chicks. And we're seeing major differences
24 in colonies and we think that the corticosteroids in the
25 blood may be a good way to get a handle very quickly on the

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1 health of breeding sea birds during the nesting season.

2 And finally, a deferral is recommended on
3 Project 659, which is avian predation manuscripts. This is
4 the follow-up work that Mary Anne Bishop has done on the --
5 that she's looked at predation of sea birds in the spring
6 in Prince William Sound on herring egg masses.

7 Are there questions on this cluster?

8 MR. RUE: I have one quick question. I may
9 get myself in trouble here. Project 2423, that is the
10 Population Change in Selected Nearshore Vertebrate
11 Predators. Do you feel that that information, which I
12 believe you said the uptake of contaminants for oil in the
13 harlequins. Is that being adequately coordinated with
14 ADF&G's survey, the Rosenberg population survey? Are the
15 two going to be able.....

16 DR. SPIES: Yeah, there's two
17 investigators. Dan Esler, who's in this project and
18 also.....

19 MR. RUE: Dan Rosenberg.

20 DR. SPIES:Dan Rosenberg are talking
21 to each other on a regular basis, yeah.

22 MR. RUE: So that we'll be able to mesh
23 that information.

24 DR. SPIES: Yeah. Yeah. Yeah.

25 MR. RUE: Good.

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1 DR. SPIES: Dan Rosenberg, by the way, is
2 doing an excellent job in this project.

3 MR. RUE: Good.

4 MR. RUE: Oops, I just lost my page.....

5 MS. McCAMMON: Page B27.

6 MR. RUE: I almost ripped my page.

7 MS. McCAMMON: Bingo.

8 DR. SPIES: Well there's two more on the
9 bottom here. It's one of these small clusters, general
10 spill restoration that includes two projects. Both salmon
11 stocking or supplementation projects. The first of these
12 is these streamside egg boxes in Kametolook River. This
13 has been a very successful program from the standpoint of
14 educational spinoff. They've successfully raised quite a
15 few coho salmon in these streamside egg boxes and released
16 them into the wild. The only problem is that we don't see
17 any response yet of the population. There may -- probably
18 another bottleneck somewhere in the population there. But
19 anyhow, it's been a good project from many different
20 aspects and we're recommending conclusion of this in fiscal
21 year '02.

22 Project 256B, which is a Solf Lake sockeye
23 salmon stocking project. There the Forest Service, with
24 the help of Fish and Game, has stocked that lake for
25 several years now. Unfortunately the acoustic surveys for

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1 fry late in the summer season haven't found many fry at all
2 in the lake so we don't know what's happening to the fry
3 that are being released, perhaps the Dolly Varden are
4 eating them, we're not sure. But we're recommending
5 conclusion of that project. It includes a weir monitoring
6 component to check for return of any adults that happened
7 to have survived as juveniles and left the lake.

8 MR. RUE: Dave has the answer to the -- he
9 said they're getting so fat they leave early.

10 DR. SPIES: Yeah, they could have left
11 early. There's a lot of food in that lake.

12 MR. GIBBONS: A lot of food in the lake,
13 yeah.

14 DR. SPIES: Yeah, we really pushed you guys
15 to be conservative on the stocking.

16 CHAIRMAN TILLERY: Questions on these?

17 MR. RUE: We missed the one from
18 archaeology, but I guess that's okay. We can do that
19 later.

20 CHAIRMAN TILLERY: 2154.

21 DR. SPIES: Any questions on that? Those
22 two?

23 CHAIRMAN TILLERY: What about 2154?

24 MR. RUE: The archaeology, DNR, it's not
25 that kind of.....

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1 CHAIRMAN TILLERY: Well, that was not
2 reviewed by the Chief Scientist.

3 MR. RUE: Oh, it wasn't reviewed by him.

4 MS.SCHUBERT: Right, it's on the last
5 overhead because the projects that are funded outside of
6 the Work Plan are lumped together on a separate
7 transparency. Sorry.

8 CHAIRMAN TILLERY: Do I gather that both of
9 these stocking, both Solf Lake and the coho one didn't
10 work? Is that answer?

11 DR. SPIES: We don't know about Solf Lake
12 yet. I mean, this worked to the extent that it had great
13 community involvement benefits and the school kids got
14 involved in it and it was a success from the start.

15 CHAIRMAN TILLERY: Right. Well, they were
16 doing incubation boxes to try to increase the return.....

17 DR. SPIES: Right. Right.

18 CHAIRMAN TILLERY:and they didn't get
19 an increased return.

20 DR. SPIES: No, they didn't. There may a
21 bottleneck somewhere else in the lifecycle. Just
22 increasing the amount of hatched eggs may not have.....

23 CHAIRMAN TILLERY: And Solf Lake is also
24 not.....

25 DR. SPIES: Well I mean, as Dr. Gibbons

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1 pointed out, it may be that these sockeyes are leaving a
2 little early too if they're getting lots to eat. So we
3 don't know yet on that one. The Forest Service is going to
4 be monitoring those weirs for some time, right?

5 MR. GIBBONS: Right.

6 CHAIRMAN TILLERY: Well when is -- we know
7 when they come back?

8 MR. GIBBONS: The first year, I think, is
9 this year. So we're out there monitoring them right now.

10 CHAIRMAN TILLERY: Oh, okay.

11 MR. RUE: It'll look like kings, right?

12 MR. GIBBONS: Yeah, 50 pound sockeye.

13 MR. RUE: They think they're orcas.

14 DR. SPIES: Okay, now we move into the
15 heavily GEM related part of the science program and I may
16 have to ask Phil to jump in here and help me on a couple
17 places, particularly if you have questions. The first of
18 these clusters is strategies to improve monitoring and we
19 have four projects here.

20 Project 395 is a near shore intertidal
21 monitoring proposal and is actually a combination of two
22 different proposals. One of them came from a group in
23 Prince William Sound that have been working since about
24 1990 on the intertidal and subtidal components of the fauna
25 after the spill. And another one is a recently formed but

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1 very credible group down in Kachemak Bay who's interested
2 in -- they have links to a larger program called PISCO that
3 goes up and down the Pacific coast and is looking at, you
4 know, tidal communities in relation to physical forcing
5 conditions and nearshore energy dispersal. And what we're
6 trying to do with this project is get those two groups
7 together to work on the same sort of conceptual basis so we
8 have comparable data throughout the GEM area if we're going
9 to have an intertidal. So what we're recommending is --
10 the proposal under 395 was to hold a workshop. We
11 recommend that we just put that other project in here that
12 Carl Schoch worked up from the Kachemak Bay group and get
13 them to work together and to come up with some common
14 recommendations for intertidal monitoring.

15 We're recommending deferral of Project 556,
16 this is to produce the sensitivity maps that are digitized
17 under very high resolution for Cook Inlet. And we think
18 it's an interesting project, those maps have been very
19 useful for other purposes but we have not gotten -- and
20 John Whitney does very good work on these kind of things.
21 He just finished the Prince William Sound maps for us but
22 we would like to identify a little bit more in terms of
23 strong users for this Cook Inlet sensitivity map. So
24 that's a deferral there pending a little bit further
25 information from the principle investigator on this

00154

1 project.

2 Project 612, recommending be conducted and
3 it's a real interesting project and it's addressing a
4 watershed component. And we've tried hard to address this
5 over the last couple of years. Phil has done particularly
6 a large amount of foot work in trying to get people to
7 address watershed issues and not lose those in the mix of
8 issues that we're concerned about in GEM. And this group
9 of investigators that Bill Hauser has been coordinating
10 with from ADF&G are attempting to look at marine
11 terrestrial linkages in the Kenai River watershed. It's a
12 multi-group from a number of different agencies and
13 represented a number of different organizations in trying
14 to do some coordinated work that looks particularly at the
15 linkage between the marine environment and the watershed.
16 Things like nitrogen transport from -- marine nitrogen
17 being carried up in salmon carcasses and other anadromous
18 fish and being an important component of that system.

19 Project 674, recommending beginning this
20 project it's really a follow-up on an earlier project on
21 pigeon guillemot restoration. There's been restoration
22 attempts both in Prince William Sound and at Kachemak Bay
23 for pigeon guillemots. If you've been out at the SeaLife
24 Center you've seen those boxes and decoys. Actually, I was
25 sitting up in the SeaLife Center conference room one day

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1 and people were talking about that the project really
2 hasn't seen too many guillemots and I looked down on the
3 wall and I saw three guillemots down there. I said, look
4 at those guillemots down there. They said, no, stupid,
5 those are the decoys that we're using in Prince -- so
6 they're pretty good decoys. But anyhow, they're going to
7 try to follow-up both on the return of the pigeon
8 guillemots that were -- been raised as chicks at the
9 SeaLife Center and also some boxes that were in Prince
10 William Sound, I believe they're on Jackpot Island. So are
11 there any questions on that?

12 CHAIRMAN TILLERY: Mr. Balsiger.

13 MR. BALSIGER: Just a simple one. Kachemak
14 Bay N-E-R-R -- what's N-E-R-R?

15 DR. SPIES: National Estuarine Reserve.....

16 UNIDENTIFIED SPEAKERS: Research Reserve.

17 DR. SPIES: Research Reserve, yeah.

18 CHAIRMAN TILLERY: So that's the same as
19 the Kachemak Bay Research Reserve.

20 DR. SPIES: Right. Right.

21 CHAIRMAN TILLERY: Ms. McCammon.

22 MS. McCAMMON: Yes. I have actually some
23 amendments on that particular proposal, 395.

24 CHAIRMAN TILLERY: What page?

25 MS. McCAMMON: That would be Page 31 --

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1 B31. The way this project developed was that we had two
2 not competing projects but two separate projects that we
3 merged into one and we asked the PIs to work together to
4 put together this intertidal near shore intertidal workshop
5 this year. The Fish and Game has requested that all of the
6 money -- and the way that the proposal was developed, it
7 was split up into two pots of money. One would go to Fish
8 and Game and one would go through USGS to Tom Dean and his
9 Coastal Resources Associates. And Tom Dean has done a lot
10 of work for the oil spill restoration program on intertidal
11 monitoring. Fish and Game has requested that all of the
12 money be funded through Fish and Game so then they can use
13 this as part of their match for receiving Federal funds for
14 the research reserve. And so what we would like to do is
15 to make an amendment so all the money does go to Fish and
16 Game, however, then they would, in order for them to funnel
17 the money to Tom Dean and to have it go through him, it
18 would be in some form of a sole source contractor
19 designated grant, because he is the only collaborator who
20 had been working USGS and has done prior work with the
21 Trustee Council.

22 But it would be with the clear intention
23 that both Tom Dean and Carl Schoch would be co-PIs, that
24 they would collaborate on the development of the workshop
25 and that they would collaborate on the recommendations that

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1 would be developed following the workshop. And funding for
2 the project would be contingent on a revised budget that
3 allocates -- additionally that allocates \$5,000 of that
4 funding amount to travel for community participants to
5 attend the workshop. So that's the gist of the changes.

6 CHAIRMAN TILLERY: What was the last one?

7 MS. McCAMMON: That of the amount, the
8 63.6, that at least \$5,000 of the funds would be allocated
9 to community participation in the workshop to pay for
10 travel for people from the communities to attend. The idea
11 right now is to hold the workshop in January, probably
12 either before or after our regular workshop and to take
13 advantage of the fact that the community facilitators and
14 others will be attending our workshop anyway. But this
15 would guarantee that there's funding for additional
16 community experts to attend the workshop, not just our
17 community facilitators but others.

18 CHAIRMAN TILLERY: So is this one of the
19 ones that we need to name the ultimate recipient and have a
20 basis for it in the record.....

21 MS. McCAMMON: Yes.

22 CHAIRMAN TILLERY:so that.....

23 MS. McCAMMON: Yes.

24 CHAIRMAN TILLERY:it solves the
25 problem getting to them.

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1 MS. McCAMMON: Yes.

2 CHAIRMAN TILLERY: Okay.

3 DR. SPIES: Also I have to make a
4 correction, I confused two projects -- 56, what I described
5 when I talked to you about the digitized maps --
6 sensitivity maps from NOAA, that's actually 662. It's in
7 another cluster. So this 556 is mapping marine habitats
8 down around the Kachemak Bay area and this also is a Carl
9 Schoch proposal. And we're recommending deferral of this
10 project until we hold this workshop. And once we have this
11 workshop then we'll know better how those different
12 conceptual approaches can mesh and serve our purposes of
13 GEM. So I want to clarify that.

14 Okay, the next -- the second of the GEM
15 clusters is the tools to improve monitoring and there's
16 five projects here.

17 MR. RUE: Page 39. B39?

18 MS. McCAMMON: 38. B38 to B43.

19 DR. SPIES: Okay. Project 404 recommending
20 funding to conclude this project. This is work done by
21 Jennifer Nielsen and she put in some archival tags in coho
22 salmon released in upper Cook Inlet and they were released
23 last year. They should be back, what, another year or two.
24 And she's going to write this up and really looking at
25 developing of an archival tag that looks at temperature and

00159

1 light. It's kind of a sampling environment using the
2 salmon knowing they're coming back to the hatchery you
3 released them from.

4 Project 584, recommending for deferral.
5 We're trying to get some clarification and get a little bit
6 more focus on this project. It's a very, very good
7 project. It has a tremendous amount of potential. We want
8 to see kind of a proof of concept. This is Evelyn Brown's
9 proposal to do some airborne LIDAR remote sensing. LIDAR
10 can penetrate 20 or 30 meters in some cases, into the water
11 column and we should be able to see things like
12 chlorophyll, surface aggregations of zooplankton and also
13 herring and other forage fishes. It can fly a pretty good
14 swath at, I think, 120 knots, something like that, and
15 gather data continuously. So it's got tremendous potential
16 to gather information on a variety of kinds things we're
17 really curious about in the GEM Program.

18 Project 614, we're recommending beginning
19 that project. And this is related to this next project,
20 624. In fact the next three are ships of opportunity
21 projects. But this particular project is putting a --
22 supplementing the CPR, this is Continuous Plankton Recorder
23 surveys that are now occurring under North Pacific Research
24 Board funding. They put these plankton recorders on the
25 oil tankers going from Valdez down to Long Beach. You get

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1 a swath through there quite a few times during the year.
2 This project, 614, would supplement those with temperature,
3 salinity and fluorescence measurements taken from the
4 surface from the same tankers. And we'll get -- probably
5 every couple of weeks we'll get a complete record all the
6 way down. And it'll be useful. That sort of thing will be
7 useful for understanding what's going on not only offshore,
8 which we don't have much data from, but also they'd be
9 crossing the Continental Shelf and, you know, fairly
10 frequent slices of information that could be useful in the
11 GEM Program as well.

12 Another ships of opportunity is the CPR
13 plankton survey and again they're requesting funds from us
14 to carry on from the initial funding that came from the
15 Dinkum-Sands money. And we have a deferral on that
16 project, I think based on clarification of some further
17 questions and see if there might be some cost sharing from
18 North Pacific Research Board on this particular one.

19 And finally, Project 671 is a coordination
20 of ships of opportunity in lower Cook Inlet. This is a
21 joint project with the lower Cook Inlet Keeper and again
22 with the Kachemak Bay NERRS trying to setup a network of
23 local ships that might take oceanographic data out in Cook
24 Inlet and be a useful appendix of GEM in terms of gathering
25 this basic kind of data.

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1 Are there any questions on this cluster?

2 CHAIRMAN TILLERY: Mr. Rue.

3 MR. RUE: Mr. Chairman, thank you. What
4 does it mean by the deployment procedure tended to insure
5 against loss of data? What is that? Can you give me a
6 little.....

7 DR. SPIES: Well, that's -- go ahead, Phil.

8 MR. RUE: Do they throw the things away
9 when done or something?

10 DR. MUNDY: No.

11 MR. RUE: My mistake.

12 DR. MUNDY: No, the data acquisition tools
13 that are commonly used here are typically run by computers
14 but they're not very smart computers. And these computers,
15 therefore, have to be programmed with some fairly arbitrary
16 language. It's tedious and you either do it right or you
17 don't do it right. It's either right or wrong -- it's like
18 flipping a switch. And so the question we've asked --
19 we've had some instances of lost data in the past and so
20 when they're putting an instrument in the water that's
21 going to be there for three months or six months or longer
22 and you don't know whether it's recording data or not until
23 you pull it up, we wanted to be assured that they knew that
24 it was working and collecting data when it went into the
25 water. And we've asked them, therefore, to give us just a

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1 checklist of exactly what it is they do to make sure that
2 the thing is recording and that it's been properly
3 programmed before it goes in the water. So that's
4 something that we've just learned through a process of
5 trial and error. That we need to ask people to address how
6 they preclude lost data.

7 MR. BALSIGER: Okay. On that project, it
8 seems that it's -- very little likelihood that the North
9 Pacific Research Board will know by December whether they'd
10 fund anything like this. I guess we can still take it up
11 in December and say we still don't know. And what is S-H-
12 F-O-S? With the principal investigators attached to.

13 DR. MUNDY: Oh, that's the Sir Alister
14 Hardy Foundation, it's in Plymouth, England. It's Sir
15 Alister Hardy Foundation for the exploration of the ocean
16 or something like that. But that's where the -- Hardy was
17 the person who invented the plankton recorder in the first
18 place and apparently came up on some money somehow.

19 DR. SPIES: They've been collecting data in
20 North Atlantic for like 50 years.

21 MR. BALSIGER: I just lost the acronym. I
22 understand -- I recall.

23 DR. SPIES: And they squish the
24 zooplanktons on the mesh and then they have special people
25 who are specially trained to look at squished bugs and tell

00163

1 you what kind of bugs they are.

2 MR. BALSIGER: Flattened fauna.

3 MR. RUE: Road kills, Kenai road kills.

4 DR. MUNDY: Graduate students, yeah.

5 MR. BALSIGER: If I could, on Project 2584,

6 which is the airborne remote sensing tool. Brown from

7 university and Churnside from NOAA. Do you know who

8 Churnside is?

9 MR. RUE: He's your assistant.

10 MR. BALSIGER: Could be.

11 DR. MUNDY: You mean where he is?

12 MR. BALSIGER: Yeah.

13 DR. SPIES: Churnside is a -- I'm not sure

14 where in NOAA he is but I know he's a expert in remote

15 sensing.

16 MR. RUE: I had a question on that one,

17 too.

18 DR. MUNDY: I think he's in NOS, Jim, but I

19 can find out for you.

20 MR. BALSIGER: I hope he's in NOS.

21 MS. McCAMMON: That would be good. Sandra

22 could probably find that out real quickly by just looking

23 at the DPD. We'll get back to you.

24 MR. BALSIGER: Yeah.

25 CHAIRMAN TILLERY: Frank.

00164

1 MR. RUE: I had a question -- does anyone
2 -- I thought NASA might be funding some projects with
3 LIDAR. Maybe I'm wrong. Does anyone know if NASA is.....

4 DR. SPIES: With the remote sensing?

5 MR. RUE: Yeah.

6 DR. SPIES: They do have grants -- go
7 ahead, Phil.

8 DR. MUNDY: Yeah, in fact NASA is funding
9 LIDAR development and Dr. Brown is one of their PIs.

10 MR. RUE: Could this be coordinated with
11 that? Are they similar things? Are we learning from their
12 work as well? Does anyone know? It'd be nice if we're
13 doing some collaborative work and having NASA -- they have
14 big dollars.

15 MS. McCAMMON: I don't know if she got
16 funded in this last round of funding though.

17 DR. MUNDY: I don't think that she got
18 funded on this last round but she had another NASA grant
19 funded. And we are aware of this and we were -- the
20 problem is, is that, you know, for the NASA studies, these
21 are somewhat out of our geographic realm of interest and we
22 were thinking of trying to bootleg some of that NASA
23 funding to help get more work in Prince William Sound, for
24 example. So we are aware of that and we are coordinating
25 that.

00165

1 MS. McCAMMON: There is a provision under
2 the recommendation that the revised proposal would include
3 more information on financial support from other entities
4 which would include NASA and others. Because there is this
5 -- there's funding being sought from a lot of different
6 sources here to kind of accomplish something together.

7 MR. RUE: Because each spacesuit costs more
8 than we spend in a year. We can get some real money.

9 CHAIRMAN TILLERY: Other questions?

10 (No audible response)

11 DR. SPIES: Okay, the next cluster is
12 synthesis and retrospective analysis. It includes some
13 intriguing projects. We're recommending deferral on 578
14 and this is an annotated list of macrofauna that have been
15 collected over the years in various kinds of projects.
16 This is a little bit of biological bookkeeping. Trying to
17 really understand exactly what species have been found by
18 the various studies carried out in Prince William Sound,
19 most of them by the Trustees though there have been some
20 earlier work around the Valdez terminal as well to try to
21 develop a good species list. It's not glorious work but
22 it's work that has to be done. It's never high priority
23 and it's reflected in this kind of defer lower priority
24 thing. But eventually it should be done somehow to keep
25 track of -- for the purposes of bio-diversity. Really

00166

1 what's out there and what name belonged to what organism.

2 Project 600 is EVOS synthesis that's in
3 deferral. This is a project that I submitted to the
4 Trustee Council and I think it probably depends on Molly
5 and I and Phil sitting down and figuring out how much time
6 is available over the next couple of years to do this along
7 with all the other things that have to be done.

8 Project 622 is digital ESI maps, this is
9 the one I confused with the other project, I think it was
10 552. Again, this is the sensitivity maps of Cook Inlet,
11 Kenai Peninsula. High resolution digital maps showing
12 locations of major biological resources. They've been used
13 elsewhere in the state -- we paid for the set of maps that
14 were just produced for Prince William Sound and they're
15 being produced in the Southeast as well by other groups
16 mostly for the purposes of oil spill sensitivity but useful
17 in many other contexts as well. So we have a deferral on
18 this one pending clarification of a couple questions,
19 particularly with regard to who the users might be for
20 this.

21 Project 636, we're recommending a deferral.
22 This is ecosystem recovery of spill impacted communities.
23 This is an interesting project that was submitted by.....

24 MS. McCAMMON: Ken Adams.

25 DR. SPIES:Bud Perrine and Ken Adams

00167

1 from Cordova. They're interested in providing a
2 fisherman's perspective on ecosystem recovery and put a
3 large rather complex proposal in and we think the idea is
4 good but the proposal idea needs some development. It
5 might be one to link back up to 600 perhaps.

6 Project 649, we're recommending it be
7 conducted. This is the work of Bruce Finney at University
8 Alaska. Probably the best single proposal in terms of
9 being a solid scientific proposal. Very highly regarded
10 investigator and he's essentially used the stable isotopes
11 of nitrogen to reconstruct the history of marine nitrogen
12 in fresh water sockeye lakes and he's proposing a series of
13 lakes through the spill area including Eshamy Lake, Karluk
14 Lake, Delight and Desire and Upper Russian River Lake. And
15 taking lake cores and trying to understand the history of
16 the sockeye populations in terms of their contributions of
17 nitrogen, relates to marine productivity and relates to the
18 questions of bringing marine nutrients up in the
19 watersheds. And provides also the possibility of
20 understanding long-term changes in marine productivity
21 because there's not many places in a marine environment you
22 get these long records at all. It usually tends to be
23 turbated to the extent that the signals generally can't be
24 tracked with any kind of accuracy.

25 Project 656 is the nearshore analysis.

00168

1 Again it's using isotopes, in this case carbon 14 which can
2 be measured in extremely small quantities by accelerated
3 mass spectrometry, looking at with archeological record
4 that goes back about 6,000 years on the Katmai coast with
5 very few interruptions. A very nice archeological record.
6 Trying to get in and look at the bi-valves, look at the
7 isotopes, look at growth rates. And we do have this record
8 that comes from Finney's work in his last project and
9 related projects might be able to cross reference across
10 the Shelikof Strait in terms of trying to understand the
11 history of marine production and how it changes with
12 climate. And that was well reviewed, Gail Irvine put a
13 nice proposal in this year -- was rejected last year for a
14 number of reasons but tightened it up, put a real nice job
15 in his proposal so we're recommended that be funded. Are
16 there any questions on.....

17 MR. RUE: Mr. Chairman. The question I've
18 got, have you talked about having Finney involved in the
19 Kenai watershed discussions because it seems like someone
20 that could also be a good connection as well as the
21 archeological issue as well.

22 DR. MUNDY: Mr. Chairman. Yes, in fact, I
23 talked to Dr. Finney just recently about that and he's most
24 interested in working with the Kenai River watershed group.

25 MR. RUE: Great. Thank you.

00169

1 CHAIRMAN TILLERY: Mr. Balsiger.

2 MR. BALSIGER: On the 2578, do you know who
3 Foster and Feder are?

4 DR. MUNDY: Feder is Howard Feder,
5 University of Alaska benthic invertebrate specialist
6 and.....

7 MR. BALSIGER: I know him well, I just
8 didn't.....

9 DR. MUNDY: And Foster is a curator at the
10 museum, I believe.

11 CHAIRMAN TILLERY: Other questions? Mr.
12 Gibbons.

13 MR. GIBBONS: Just one other thing on the
14 watershed -- the Kenai. Some of the work the PMW did on
15 the Copper River Delta found nitrogen contribution to the
16 vegetation along the shoreline. So you might get a hold of
17 Mark Lipfly out of Juneau, he's done a lot of that work.

18 DR. MUNDY: Thank you, I will.

19 CHAIRMAN TILLERY: All right.

20 DR. SPIES: Okay, next cluster. GEM
21 transition long-term monitoring. About ten projects in
22 this cluster here. First of these is the Prince William
23 Sound/Lower Cook Inlet Youth Area Watch. This project is
24 another long running project that has had a lot of great
25 educational benefits. In fact, some of the students over

00170

1 the years have addressed the annual meeting and done a
2 really good job. A lot participation at the -- with young
3 people in the program, it's been very positive. We're
4 recommending continuation of that. Also a related project
5 down here, 610, Kodiak Youth Area Watch. Again a good
6 solid program with solid educational spinoffs. I'm
7 recommending continuing both those projects.

8 Project 340, the second one on the list
9 here, is the GAK-1 oceanographic monitoring. If you'll
10 recall, this is one funded on a cost sharing basis with NSF
11 NOAA group that have been working in the GLOBEC Program.
12 This is the longest continuous record of oceanographic
13 conditions in the Northern Gulf of Alaska and the Alaska
14 coastal current. That's that current that bathes the inner
15 third of the shelf and is homogenous over very large areas
16 so this data is really, really valuable in terms of
17 understanding long term changes in water masses and how it
18 relates to biological productivity and recommending
19 continuing that. There's no doubt in my mind that that has
20 to be part of our thinking as we go into GEM.

21 Project 552 is exchange between Prince
22 William Sound and the Gulf of Alaska. This has been a
23 project -- we've had mooring in place in Montague Strait
24 for the last several years and also during the SEA Program
25 it was there as well. We're recommending deferral of this

00171

1 project. There's some gaps here in terms both of the
2 temporal and spacial coverage of the buoy, the ADCP, the
3 Acoustic Doppler Current Profiler. It doesn't collect all
4 the data, particularly in the upper water column and it
5 usually has to be changed out so we don't have a permanent
6 mooring in there which would be a lot more expensive but it
7 gets changed out in last summer and fall. And this is the
8 period of maximum water exchange between Prince William
9 Sound and the Gulf of Alaska. So that's an unfortunate gap
10 in the record. So we want to get a few more questions
11 answered and a revised proposal here and see how we can
12 deal with these issues.

13 Project 561, we're recommending to begin
14 that project. This is setting up a network of sampling
15 based on a pilot program that Dave Roseneau carried out
16 from the halibut charter fishing boats in Lower Cook Inlet.
17 Looking at halibut and now being proposed to look at other
18 fishes such as rock fishes as samplers really of the forage
19 fish that are available. These things eat small fishes in
20 large quantities and you can get kind of a pretty good idea
21 sampling the stomachs of the fish that the fishermen catch
22 off these recreational boats and an idea of what's going on
23 in terms of trends in the forage fish populations. Or at
24 least the relative abundance of various groups of forage
25 fish.

00172

1 Project 603 is the ocean circulation model
2 where -- this was proposed by Jia Wang, University of
3 Alaska, Fairbanks. It appears to be a good model,
4 something we may want to go with in GEM but we also feel
5 that we need to look at a variety of different circulation
6 models that might be useful to us in the future and we're
7 proposing, in fact, another workshop in addition to the
8 intertidal workshop, an ocean modeling workshop this fall
9 and recommending deferral of this project until after we
10 hold that particular workshop.

11 I already covered 610, the Kodiak Youth
12 Area Watch. Project 634 is the STAMP program and that is
13 essentially using seabirds as samplers for persistent
14 organic pollutants and sampling their eggs mainly from
15 nesting sites around the Gulf of Alaska to get an idea of
16 what the concentrations of the persistent organic
17 pollutants might be in the food web. We think that's a
18 good project in concept but we wanted to get some further
19 clarification on a number of questions from the
20 investigator so we've recommended deferral on that.

21 Project 667 is a effectiveness of citizen's
22 environment monitoring program. It's been an environmental
23 monitoring program in the Kachemak Bay area over some years
24 now and there's a large amount of data here and this
25 project is to really -- a small project looking at the

00173

1 effectiveness of the data gathering effort and looking at
2 questions of quality control and trends in the data.

3 Project 680, we recommended deferral, it's
4 kind of a lower priority project. Much as the STAMP
5 program would look at the persistent organic pollutants in
6 seabirds, this proposes to use chinook salmon from
7 different Alaska fisheries. Four major rivers that are
8 widely separated, a couple of them are outside the spill
9 area and sampling the returning chinook salmon to see if
10 there's any differences in contaminants. And these fish
11 are known to have different habitats in the Gulf of Alaska
12 and it might give us somewhat of a regional picture over a
13 very large area in terms of deposition and up-taking
14 utilization of the persistent organic pollutants at sea.

15 And Project 681 is a placeholder project
16 for some nearshore intertidal monitoring.

17 MS. McCAMMON: It's just as a follow-up to
18 the workshop.

19 DR. SPIES: Yeah, right. This is what
20 we're going to do if we decide to fund some of these
21 projects during the workshop. Is there any questions on
22 that?

23 CHAIRMAN TILLERY: Ms. See.

24 MS. SEE: Mr. Chairman, I just had a
25 comment. I thought this cluster and some of the ones

00174

1 somewhat related in preceding clusters, but particularly
2 this one, it seems to make a very good distinction here in
3 the recommendations between those things which are more in
4 preparation for monitoring versus actual launching of
5 monitoring. And I think that's a very important
6 distinction you've made here in comparing a logical
7 sequence that we look at data, where they exist and we take
8 advantage of the workshop and the phasing of scrutiny that
9 emerges from that on priorities. And allow the door to be
10 open on some of these ideas with further refinement of
11 those ideas in targeting of the money. So I think it's a
12 good sequence that you've identified here. I think these
13 recommendations make a great deal of sense.

14 CHAIRMAN TILLERY: Other questions?

15 (No audible response)

16 DR. SPIES: Project 621 is the next cluster
17 here. Habitat protection improvements. There's a deferral
18 on 621, the Kenai River Flats conservation easement. I
19 think that there's some continuing questions on that. I'm
20 not that familiar with that project. I don't know if Molly
21 wants to say anything further about that.

22 MS. McCAMMON: I did ask Fish and Game for
23 an update on this and this project is -- it's actually,
24 this would fund a boardwalk viewing platform and Fish and
25 Game is talking to the city of Kenai about wetlands that

00175

1 they are interested in purchasing -- a conservation
2 easement on. And apparently the conservation easement is
3 contingent on getting this boardwalk viewing platform
4 built. We haven't really seen anything formally from the
5 city. There also have been some concerns about a trail
6 between Kenai, Soldotna and Homer along the highway. Some
7 concerns raised by Fish and Wildlife Service about impacts
8 to nesting birds and migrating birds. So any concerns
9 about this viewing platform that Fish and Wildlife Service
10 might have would have to be addressed. So it's still kind
11 of in the mix but I'm not sure if it will be ready by
12 December.

13 DR. SPIES: Okay.

14 CHAIRMAN TILLERY: Question, Mr. Toohey.

15 MR. TOOHEY: I do have a little interest in
16 that because that's the only thing I've had somebody call
17 me on that so I'd appreciate it if we'd take some time to
18 look at this next time as we gather more.....

19 MS. McCAMMON: Who ended up calling you on
20 it -- the city?

21 MR. TOOHEY: Somebody from Kenai, yeah.

22 MS. McCAMMON: Okay, because I haven't
23 heard from anybody in the city.

24 MR. RUE: I think while we're on this, I
25 would also want to separate the easement and a viewing

00176

1 platform from the connector trail between two cities.
2 They're kind of different beasts and we could do a really
3 nice educational interpretative trail that has -- is sort
4 of in no way, shape or form like a high speed
5 transportation trail. Quote, unquote high speed -- people
6 on bikes and roller skates and stuff.

7 MS. McCAMMON: That's not clear from
8 the.....

9 MR. RUE: Description right now.

10 MS. McCAMMON:description right now.
11 So any additional information on that would be helpful.

12 MR. RUE: All right. Great. Great. The
13 city ought to just give this to us, you know, it's in the
14 public's interest.

15 CHAIRMAN TILLERY: Okay.

16 DR. SPIES: Okay, next to the last cluster.
17 Data management information transfer. It includes four
18 projects. The first is Project 290, this is the
19 hydrocarbon database that's been a long-term function of
20 the Trustee Council. It's maintained under the supervision
21 of Jeff Short, the chemist from Auke Bay that addressed you
22 this morning. Essentially they're maintaining existing
23 data on hydrocarbons. They add new data to it from
24 projects that are doing hydrocarbon chemistry and also aide
25 in interpretation of the results for many of the reports

00177

1 and publications that are submitted to the Trustee Council.
2 So we're recommending that continue for at least one more
3 year and then we'll have to think about how much we want to
4 invest in that during the GEM phase of the Restoration
5 Program.

6 Project 455 is the GEM data system which is
7 recommended in continuance. The Restoration Office is
8 going to be hiring personnel to deal with data management
9 and those issues are being clarified as we move along. And
10 so that project will take care of that particular function.

11 Project 608 is another kind of a scientific
12 bookkeeping. This is a proposal, again, put in by
13 University of Alaska, Fairbanks. Howard Feder and some of
14 the people in the museum, Nora Foster in particular. And
15 they put in a large proposal to archive intertidal,
16 subtidal and deep water benthos from the early days of the
17 spill impact studies and we're recommending just that the
18 -- at this stage that the nearshore specimen part of this
19 go forward again. This is verifying identification of
20 specimens and making sure that we understand what species
21 are out there and again contributing to the understanding
22 of biodiversity in the system.

23 Project 668 is a interactive water quality
24 and habitat database that's being proposed for the lower
25 Cook Inlet area around Kachemak Bay. And we have some

00178

1 questions about how this might relate to some of the other
2 efforts such as CIIMMS that the Trustee Council has
3 supported or might support in the future. So that is a
4 deferral. Recommend as a deferral.

5 Are there any questions on that?

6 CHAIRMAN TILLERY: Mr. Balsiger.

7 MR. BALSIGER: Yeah, just a simple one. On
8 2637, which is not funded but the proposer is a Duf -- is
9 that Duffy-Anderson hyphenated name or are those two
10 people. They're also from NOAA so I.....

11 DR. MUNDY: Well that's one person and
12 she's P-M-E-L, I think. Janet Duffy. It's Janet Duffy.

13 MR. BALSIGER: Oh, Janet Duffy has an
14 Anderson name. Thank you very much.

15 CHAIRMAN TILLERY: Mr. Rue.

16 MR. RUE: Yeah, I have a question. The
17 mention of CIIMMS made me think we haven't heard from them
18 in a while.

19 CHAIRMAN TILLERY: We haven't, have we.

20 MR. RUE: And I was wondering if we could
21 get a status report. They came and gave us a great
22 presentation a while ago and maybe I missed one but how are
23 they doing? Are they getting good data? Is it a good
24 system?

25 MS. McCAMMON: Would you like a status

00179

1 report in December?

2 MR. RUE: I think so, yeah. Because a lot
3 of kickoff fanfare balloons went up and everything.

4 MR. BALSIGER: It was a high priority at
5 the time.

6 MR. RUE: Yeah, let's see what we got.

7 DR. SPIES: Okay, the -- this is the second
8 to last. The last one was third to last. Second to last
9 cluster. Community involvement, public outreach cluster.
10 We've got seven projects here. Project 052, which is a
11 longstanding community involvement project. Good project
12 in concept. A little late in delivering some of the
13 products here. Sometimes hard for the reviewers to know
14 exactly what's going on so we're requesting a revised
15 proposal there that addresses some of the concerns.

16 Project 250 is a continuation of the
17 project management aspect of this and the program. And
18 these are the agency liaisons, correct? Yeah.

19 MS. McCAMMON: They're not the liaisons but
20 they're people within the agencies who are actually
21 managing individual projects and so the funding.....

22 DR. SPIES: Okay.

23 MS. McCAMMON:is dependent on how
24 many projects each agency has.

25 DR. SPIES: Okay.

00180

1 CHAIRMAN TILLERY: That's not in the
2 projects themselves?

3 MS. McCAMMON: No, this has been taken out
4 as a separate budget for the last five years or so. I
5 think about seven or eight years ago there would be like a
6 quarter of a month here and a half a month there and a
7 month here and it was done very inconsistently and so we
8 pulled all of those out into one individual budget so we
9 could look at this kind of collectively. So it's been like
10 this for at least five years.

11 DR. SPIES: Project 350 is lumping all the
12 fees -- the bench fees at the SeaLife Center under one
13 project. And these come from the various projects such as
14 the pigeon guillemot restoration project and the harbor
15 seal biochemistry project and physiology projects and so
16 forth. So those all come out of this one project here.

17 We're recommending a conclusion of Project
18 360, which is a National Research Council review of the GEM
19 Program. You heard Molly explain earlier in the day about
20 the activities in this project.

21 Project 535 is the Trustee Council final
22 report. Again you heard earlier about Joe Hunt's book on
23 the Trustee Council process that's out in first draft. 550
24 is a continuation of ARLIS and Project 630 is planning for
25 GEM.

00181

1 Is there any discussion on any of these?

2 CHAIRMAN TILLERY: Mr. Rue.

3 MR. RUE: Thank you, Mr. Chairman. Maybe
4 Molly can describe a little bit about the rationale behind
5 the ARLIS reductions and what -- how we're making this --
6 how we're deciding how much to not put in there or put in
7 there.

8 MS. McCAMMON: When the Trustee Council
9 committed to contributing to the funding of ARLIS, there
10 was a commitment in a letter that would be still subject to
11 your annual review and approval. At the beginning it was
12 two librarians plus it was like \$40,000 a year for -- it
13 was a cash payment for rental space, publications,
14 journals, things of that nature. And then after two years
15 it would go down to one librarian plus the \$40,000. And
16 during that time the librarians have become more expensive.
17 And for this fiscal year there was no commitment. The
18 commitment was just through fiscal year '01. So this was a
19 completely blank slate in terms of the Trustee Council's
20 commitment to funding it. So in looking at it when ARLIS
21 was putting together its budget in the spring, I looked at
22 what kinds of activities they were doing, what kinds of
23 things they might be expected to do for the Trustee Council
24 and what options were before us.

25 The options were to not give any funding,

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1 to just do zero and then to depend on the various agencies
2 who might be founding members of ARLIS to take advantage of
3 the services or to be treated as a member of the public,
4 which was one option. A second option was just to
5 contribute \$40,000 and be a founding member and get all the
6 privileges of being a founding member but for \$40,000. The
7 third option was to fund what had been funded last year,
8 which would have been a librarian plus an amount of cash,
9 although it would have cost more because the librarian goes
10 up every year. That's not in addition, the request that
11 they came back to was to do last year's funding plus about
12 a 10 to 12% increase above last year because of some
13 shortfall that they were experiencing due to some other
14 funding that had fallen through. So the 144.3 request was
15 actually last year's request plus like a 10 or 12%
16 increase.

17 And in talking with all of you and kind of
18 polling people individually last spring before the ARLIS
19 budget was done, there was a sentiment that went from kind
20 of status quo funding to perhaps no funding. And so the
21 recommendation here is based on two things, one is kind of
22 a middle ground between those two kind of reference points
23 there. And also I think it reflects more what we're
24 experiencing in terms of needs from the library. The kinds
25 of requests that people get, there's very little requests

00183

1 for documents from our administrative record. They do have
2 the administrative record there but hardly anyone makes
3 requests for any of the materials from it.

4 MR. RUE: You mean from these meetings?

5 MS. McCAMMON: From these meetings, from
6 our old documents, things of that nature. There is very
7 little public request for that. But they are holding those
8 documents. In terms of requests for information about the
9 oil spill, there are two kinds. There's kind of student
10 information kind and we handle all of it. For the most
11 part, we handle all of those requests for information
12 internally here with our office staff. There is still
13 requests for information from, you know, people doing
14 master's or Ph.d's but it pretty much has declined quite
15 significantly. There have been some requests from Phil and
16 from Bob in the development of GEM, in putting together the
17 scientific background but we anticipate that once that's
18 done it's pretty complete. The kinds of needs that we have
19 are much more kind of database oriented, electronically
20 oriented in the future. So it was just based on looking at
21 all those things and just putting together a recommendation
22 and assimilating all of that.

23 MR. RUE: And you say the demand for the
24 products from our stuff from the scientific community
25 hasn't been that great?

00184

1 MS. McCAMMON: People can now get our
2 reports electronically.

3 MR. RUE: So they do that better, yeah.

4 CHAIRMAN TILLERY: So does that suggest
5 that in the future we would going more towards the zero
6 option?

7 MS. McCAMMON: I think there's still -- I
8 don't think the zero is really an option because I think it
9 really is -- I think it's a value to have the Trustee
10 Council as a founding member for the \$40,000 contribution
11 because not all of our Trustee agencies are members. And I
12 think we just get better access to materials if you are a
13 founding member. So at the bare minimum I think it would
14 be that.

15 CHAIRMAN TILLERY: Mr. Toohey.

16 MR. TOOHEY: What is the overall cost of
17 the program?

18 MS. McCAMMON: Of ARLIS, right now I think
19 their budget is about 1.4, 1.5 million. They do have a
20 line item request -- appropriation request in to the
21 Interior budget. I think BLM has the lead on it for 2.2,
22 2.4 million to fund the Federal side of the library. And
23 that's been received pretty positively but there's no word
24 yet on whether that's going to be funded. But right now
25 it's just a little bit from all the various agency budgets,

00185

1 kind of cobbled together. What they would like is to
2 actually have a line item in the Federal budget.

3 CHAIRMAN TILLERY: Okay. Other questions?

4 MR. BALSIGER: Mr. Chairman. On the
5 \$200,000 for planning for the long term monitoring for the
6 GEM stuff.

7 MR. RUE: Which number -- what page?

8 MR. BALSIGER: That's Page 68, Project 630.
9 Those items identified A, B, C and D, those get funded out
10 of the 63,000 because you're suggesting we fund an interim
11 amount of 63 and defer 136.

12 MS. McCAMMON: Yes. Yes.

13 MR. BALSIGER: So all four of those can be
14 done for the 63,000?

15 MS. McCAMMON: Yes.

16 MR. BALSIGER: Thank you.

17 MS. McCAMMON: And I would like to say we
18 would have it completely laid out in terms of what is going
19 to happen next year and what the costs are but just getting
20 the GEM documents where we are was about as much as we
21 could do for right now. So we hope to have that laid out
22 for you hopefully here in the next month or so.

23 DR. SPIES: And these three outside the
24 Work Plan efforts here. Project 100, public information
25 science management administration, 126, habitat acquisition

00186

1 and support and 154 archeological repository and local
2 display facilities.

3 MS. McCAMMON: Right, and if there are any
4 questions about any of those I'd be happy to answer them.

5 MR. BALSIGER: Mr. Chairman. The first
6 two, I believe, there was sort of proposals or descriptions
7 in the package, fairly brief. But for the one and a half
8 million, is there a breakdown of that in here.

9 MS. McCAMMON: Yes, there is a budget.....

10 MR. BALSIGER: That's in the back, is it
11 not?

12 MS. McCAMMON:in your packet.

13 MR. BALSIGER: Yeah.

14 MS. McCAMMON: It's called 02-100 budget.

15 MR. BALSIGER: Okay. I thought that's what
16 it was but I wasn't certain.....

17 MS. McCAMMON: Yeah.

18 MR. BALSIGER:it was the same. Thank
19 you.

20 MS. McCAMMON: And it is basically very
21 similar to the current year's budget in terms of staffing
22 and costs.

23 MR. BALSIGER: The one thing that seemed
24 like a lot is the travel increased some 50% or something
25 like that if I remember right, but this.....

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1 MS. McCAMMON: One of the reasons I think
2 the travel increased was because the Public Advisory Group,
3 in talking to them, asked for some additional travel to do
4 a field trip next year so we did add I think \$15,000 or so
5 in travel for that. So that was, I think, the biggest
6 increase there.

7 MR. BALSIGER: Thank you.

8 CHAIRMAN TILLERY: Commissioner Rue.

9 MR. RUE: Question on habitat protection.
10 Apparently we're not -- Fish and Game isn't getting funded
11 to review small parcels, but what was your thought on that?

12 MS. McCAMMON: There are actually going to
13 be two budgets for habitat acquisition and support. This
14 is the budget for those activities that are currently on
15 the table being worked on only. And so it's just what's in
16 existence right now.

17 MR. RUE: Like Karluk and.....

18 MS. McCAMMON: It's not even really Karluk,
19 it's more -- if you look at the small parcel table, it's
20 that particular table of parcels. Under the grant, there
21 will be a separate budget prepared for agency support cost
22 for any parcels and consideration of parcels that might
23 come through the grant. And there might be something
24 through that one. And it's likely that -- it's quite
25 possible that anything with the Karluk is going to go --

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1 the support for that will come through the grant anyway.

2 MR. RUE: How do you decide which agencies
3 are involved and which parcels? Do you work with the work
4 force of the team?

5 MS. McCAMMON: Right. We just talk --
6 yeah.

7 MR. RUE: Who gets to look at what and who
8 needs to look at what.

9 MS. McCAMMON: Yeah.

10 MR. RUE: And you got pretty good at these
11 -- what needs to be done?

12 MS. McCAMMON: Yeah, there hasn't been --
13 it doesn't seem to be a problem.

14 CHAIRMAN TILLERY: Okay, is there anything
15 else?

16 MS. McCAMMON: I do have a motion.

17 DR. SPIES: Thank you, Mr. Chairman. That
18 concludes my presentation.

19 CHAIRMAN TILLERY: Okay, thank you. Thank
20 you, Dr. Spies. Thank you, Dr. Mundy.

21 MS. McCAMMON: And I do have a little
22 amendment to the wording of the motion.

23 CHAIRMAN TILLERY: Okay, and what would
24 that be?

25 MS. McCAMMON: Do you want to read it or do

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1 you want me to?

2 MR. RUE: Should we move it first or do you
3 want to move it as an amendment?

4 CHAIRMAN TILLERY: I think we can probably
5 make the motion with the changes, yet as amended by today's
6 discussion it seems to me we probably need to delineate the
7 specific projects that are amended. I've got three that I
8 counted.

9 MS. McCAMMON: Well.....

10 MS. SCHUBERT: I think -- are they written
11 on there or is that the one? the one I just handed you,
12 Molly, had some notes on it.

13 CHAIRMAN TILLERY: I have 245, 558.....

14 MS. McCAMMON: I have the two harbor seal
15 projects and 395.

16 CHAIRMAN TILLERY: 395.

17 MS. McCAMMON: Are those the three?

18 MS. SCHUBERT: Yeah.

19 MS. McCAMMON: I think they're on there.

20 MR. RUE: Which was the last one?

21 MS. McCAMMON: The intertidal workshop just
22 specifying that it all goes through Fish and Game but that
23 it will be co-led by USGS and Tom Dean and Fish and Game.

24 MR. RUE: Right. Okay.

25 MS. McCAMMON: And that the USGS money

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1 would got to Tom Dean, Coastal Resources.

2 MR. BALSIGER: Mr. Chairman.

3 CHAIRMAN TILLERY: Mr. Balsiger.

4 MR. BALSIGER: After much consideration, I
5 would like to move that the Trustee Council adopt the
6 recommendations for fiscal year '02 projects as outlined in
7 spreadsheets A and B, both dated August 2001 and as amended
8 by today's discussions with the following conditions. One,
9 if a principle investigator has an overdue report or
10 manuscript from a previous year, no funds may be expended
11 on a project involving the PI unless the report is
12 submitted or is scheduled for submission as approved by the
13 Executive Director. And two, a project's lead agency must
14 demonstrate to the executive director that requirements of
15 NEPA before any project funds may be expended with the
16 exception of funds spent to prepare NEPA documentation.
17 Funds for 02-154, archeological repository and display
18 facilities are for a capital project and will lapse
19 September 30, 2003. Amendments include 02-2450, 02-558 --
20 oops, I think I read a period as an o. Let me try that
21 again. Amendments 02-245 and 02-558 add the contingency
22 relative to the identification of Federal funds available
23 for harbor seal studies by the Alaska SeaLife Center and
24 the Alaska Native Harbor Seals Commission. And Project 02-
25 395 specified Tom Dean of the Coastal Resources Associates

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1 as a fund recipient for a portion of the project funds.

2 MR. RUE: Second.

3 CHAIRMAN TILLERY: It's been moved and
4 seconded. Is there a discussion?

5 (No audible response)

6 CHAIRMAN TILLERY: Ms. McCammon, just for
7 purposes of the amendment with Mr. Dean, since it's
8 important to have a clear record on that, could you explain
9 the need to have that directed to him?

10 MS. McCAMMON: The peer reviewers
11 recommendation was that the workshop be a collaborative
12 effort between the Kachemak Bay National Research Reserve
13 and Dr. Dean who is a leading intertidal investigator.
14 He's been very key to earlier Trustee Council work,
15 intertidal work, especially with the Nearshore Vertebrate
16 Predator Project. And so he has particular expertise that
17 is essential to this collaborative process.

18 CHAIRMAN TILLERY: Any questions, comments?

19 (No audible response)

20 CHAIRMAN TILLERY: All in favor of the
21 motion signify by saying aye.

22 IN UNISON: Aye.

23 CHAIRMAN TILLERY: Opposed?

24 (No opposing responses)

25 CHAIRMAN TILLERY: The motion carries. And

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1 that brings us to the end of the agenda, as I understand
2 it.

3 MS. McCAMMON: Unless there's -- did you
4 want to do -- Jim?

5 MR. RUE: Jim, she's looking at you.

6 MS. McCAMMON: One small thing.

7 MR. BALSIGER: Yeah, I'm looking for my
8 crib sheet.

9 MR. RUE: While he's looking.....

10 MS. McCAMMON: One small little NOAA item.

11 MR. RUE: While he's looking, I'd like to
12 thank Molly and her staff for putting together a good Work
13 Plan, almost no amendments. It's a good mix of projects.

14 MS. McCAMMON: Good, thank you.

15 MR. RUE: And I actually read it.

16 CHAIRMAN TILLERY: I think this is the
17 least amended Work Plan in the history of the Council.

18 MR. RUE: Thank you, a really good job.

19 And I think that organization did work showing the
20 transition kinds of projects. It thought that was good, so
21 thank you.

22 MS. McCAMMON: I'm sure we'll be refining
23 it over time.

24 MR. RUE: Yeah, I had that one small
25 suggestion.

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1 MR. BALSIGER: Mr. Chairman. It was
2 discovered, I guess, as a result of the '00 audit that NOAA
3 overspent our GA by \$21,162. The budgeted amount was
4 \$218,600. The actual earned amount was \$195,071 and the
5 actual spent was \$216,233. Thus I would request that the
6 Council allow this amount be considered as approved
7 expenditures by the Council. That's \$21,162 above what was
8 normally approved for our GA.

9 MR. RUE: Was that a motion?

10 CHAIRMAN TILLERY: That was a motion?

11 MR. BALSIGER: Well, I wasn't sure I could
12 make a motion -- I thought I had to serve penance and
13 someone else would have (indiscernible - laughter).

14 MR. RUE: I don't think anyone was going to
15 leap forward.

16 MS. McCAMMON: You have to promise to never
17 do it again.

18 MR. RUE: I didn't see anyone leaping
19 forward to make the motion.

20 CHAIRMAN TILLERY: I'm waiting for the
21 second.

22 MR. RUE: I didn't hear a motion yet.

23 MR. BALSIGER: Well, Mr. Chairman, I would
24 move that the Council consider the \$21,162 inadvertently
25 spent above our allowance to be an approved expenditure by

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1 the Council.

2 MR. RUE: For purposes of discussion, I'll
3 second.

4 (Laughter)

5 CHAIRMAN TILLERY: It's been moved and
6 seconded. Is there discussion?

7 MR. BALSIGER: Well, I'd like to know how
8 this happened.

9 (Laughter)

10 MS. McCAMMON: I think I.....

11 MR. RUE: Can you explain some of this,
12 what happened?

13 MS. McCAMMON: Yes, what happens is that
14 you have a certain number -- each agency gets a certain
15 number of funds for direct cost and let's just say it's a
16 million dollars worth of direct costs. They get a certain
17 percentage for general administration and let's just say
18 it's \$100,000. And so as you're spending down on that
19 million, you're only supposed to spend your general
20 administration in proportion to spending down that million.
21 And what happened is that NOAA overspent their general
22 administration in proportion to how much of the direct
23 costs they were spending. They did not overspend the -- if
24 they had spent their entire one million -- they didn't
25 overspend their general administration, they just overspent

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1 the proportional amount. And so under the procedures that
2 were adopted by the Trustee Council last year, they either
3 have -- two options, they either have to pay that back
4 using non-EVOS funds or they have to come to the Trustee
5 Council and ask for it to be approved as a approved
6 expenditure.

7 MR. RUE: So did they lapse funds then in
8 the projects they were spending -- you're saying they
9 didn't spend all the money that they were supposed to.....

10 MS. McCAMMON: That's correct.

11 MR. RUE:or they were budgeted.

12 MS. McCAMMON: That's correct. So those
13 monies were lapsed. And I think part of this happened
14 because there was some turnover in personnel and I think it
15 was just -- there wasn't -- at some point some things just
16 weren't being overseen properly, but I think they have
17 procedures in place now that that wouldn't happen again.

18 MR. RUE: You think or you're sure?

19 MS. McCAMMON: I'm.....

20 MR. BALSIGER: Mr. Chairman. We've put
21 procedures in place.....

22 MS. McCAMMON:convinced.

23 MR. BALSIGER: I actually had a long e-mail
24 on this which I discovered last night about midnight and an
25 offer from one of the administrative people to come up and

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1 explain it in full detail, but it was too late by the time
2 I saw it. I had been playing in the sun so I missed. But
3 not knowing that this was a problem -- this particular
4 problem was there, we did know that we had some
5 difficulties because of changes in personnel so we have
6 taken some steps to change the way that we monitor these
7 programs, including more direct input from my regional
8 office as opposed to people out at the Auke Bay lab and so
9 I don't think that this is likely to happen again. We have
10 it much more under direct control now.

11 CHAIRMAN TILLERY: Mr. Rue.

12 MR. RUE: I had a friendly amendment about
13 birch whips but I won't give it now.

14 CHAIRMAN TILLERY: Ms. McCammon, has this
15 happened before to any agency and if so, what was the
16 result?

17 MS. McCAMMON: Which agency?

18 CHAIRMAN TILLERY: Has it happened?

19 MS. McCAMMON: No, it has happened before
20 and actually I think that particular agency ended up paying
21 it back out of non-EVOS funds.

22 MR. BALSIGER: I might lose this vote.

23 Who's guilty? It wasn't us I gather, last time.

24 MS. McCAMMON: No, no it was that agency.

25 MR. TOOHEY: I have nothing to say.

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1 MR. RUE: It's the guys in white shirts.
2 MS. McCAMMON: Another administration.
3 MR. RUE: You've got to watch these guys in
4 white shirts.
5 CHAIRMAN TILLERY: Okay, does anybody else
6 have any comments?
7 (No audible response)
8 CHAIRMAN TILLERY: Well, it's been moved
9 and seconded. We should proceed to take a vote, I suppose.
10 All in favor of the motion to.....
11 MR. GIBBONS: I've got one. Yeah, since
12 there was an offer, you know, for an explanation, you know,
13 we can go ahead and vote on it but can we, in the future,
14 just get a write-up how that happened. If it happened the
15 way Molly did -- I know we battle that all the time.
16 Because you get so much projects and you're supposed to
17 match the GA and if you don't get all your projects spent,
18 you know.....
19 MS. McCAMMON: Right. It's tough to do.
20 MR. GIBBONS: Yeah. So could we just get a
21 write-up on that?
22 MR. BALSIGER: You could, of course.
23 MS. McCAMMON: Yes.
24 MR. BALSIGER: Might I ask, when would this
25 bill come due?

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1 MS. McCAMMON: I think to cleanup, it will
2 be an item on your audit next December if it's not cleaned
3 up before then.

4 MR. BALSIGER: But if I lose this motion
5 and I have pay out of non-EVOS funds, when do I have to pay
6 it? This fiscal year?

7 MS. McCAMMON: Before December.

8 MR. RUE: Are you planning to vote against
9 this motion?

10 MR. TOOHEY: That's what I was wondering.

11 MR. BALSIGER: No.

12 CHAIRMAN TILLERY: I guess the thing that
13 concerns me is that this isn't something that one wants to
14 be a -- sort of a regular.....

15 MS. McCAMMON: No, and.....

16 CHAIRMAN TILLERY:event that where
17 people get the idea that they really can expend it and then
18 they'll come back and.....

19 MS. McCAMMON: Right. And it hasn't been
20 for most of the agencies. They really, I think, have done
21 an excellent job of adhering to the procedures. So I
22 really think this was just a lapse due to some personnel
23 turnover.

24 CHAIRMAN TILLERY: Okay, all in favor of
25 the motion signify by saying aye.

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1 IN UNISON: Aye.
2 CHAIRMAN TILLERY: Opposed?
3 (No opposing responses)
4 CHAIRMAN TILLERY: The motion carries. Do
5 we have anything -- any other confessions?
6 MS. McCAMMON: That's it.
7 MR. RUE: Cam didn't know about this part
8 of the meeting.
9 MR. TOOHEY: No, I missed out on that.
10 CHAIRMAN TILLERY: Okay, so we need a
11 motion to adjourn at this point.
12 MR. GIBBONS: Is that recess?
13 MR. RUE: Mr. Chairman, I move that we
14 adjourn.
15 CHAIRMAN TILLERY: Adjourn is the right
16 terminology.
17 MR. BALSIGER: Second.
18 CHAIRMAN TILLERY: It's been moved and
19 seconded to be adjourned. All in favor say aye.
20 MR. RUE: Too late.
21 IN UNISON: Aye.
22 CHAIRMAN TILLERY: Opposed?
23 MS. SEE: I'm not opposed. I just had
24 something to say first before you did that.
25 CHAIRMAN TILLERY: Oh, okay.

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1 MS. SEE: Just an information note that we
2 would like to offer an update at the December meeting about
3 the Kodiak Waste Management Project and to have that along
4 with other updates that we may want to look at, that that's
5 one we'd like to offer from DEC.

6 CHAIRMAN TILLERY: Okay.

7 MR. BALSIGER: And we have December meeting
8 dates?

9 MR. RUE: The 25th and 26th, I think.

10 MS. McCAMMON: No, I think we've been --
11 I'm not sure, have we polled people yet on December? No.
12 But it will be after the Council meeting, before you go on
13 vacation. It's usually that second week of December.

14 CHAIRMAN TILLERY: The motion to adjourn
15 passed. We're adjourned. Thank you.

16 (Off record - 3:15 p.m.)

